

STATE OF NEW YORK
PUBLIC HEALTH AND HEALTH PLANNING COUNCIL

COMMITTEE DAY

AGENDA

July 18, 2019

10:15 a.m. Health Planning Committee

Establishment and Project Review Committee immediately following the Health Planning Committee Meeting

Empire State Plaza, Concourse Level, Meeting Rooms 2-4, Albany

I. WELCOME AND INTRODUCTION

John Rugge, M.D., Chair of the Health Planning Committee

II. Ambulatory Surgery Centers - Policy regarding Review Criteria for considering Impact on Local Hospitals

Tracy Raleigh, Director, Center for Planning, Licensure and Finance

III. Integrated Outpatient Services

Mark Furnish, Director, Center for Health Care Policy and Resource Development

IV. COMMITTEE MEMBER DISCUSSION AND QUESTIONS AND ANSWERS

V. PUBLIC COMMENT

VI. COMMITTEE ON ESTABLISHMENT AND PROJECT REVIEW

Gary Kalkut, M.D. Vice Chair

A. Applications for Construction of Health Care Facilities/Agencies

Acute Care Services – Construction

Exhibit # 1

<u>Number</u>	<u>Applicant/Facility</u>
1. 191174 C	Memorial Hospital for Cancer and Allied Diseases (Westchester County)

Ambulatory Surgery Centers – Construction

Exhibit # 2

<u>Number</u>	<u>Applicant/Facility</u>
1. 191215 C	Syracuse Surgery Center (Onondaga County)

Diagnostic and Treatment Center – Construction

Exhibit # 3

<u>Number</u>	<u>Applicant/Facility</u>
1. 191147 C	New York Hotel Trades Council and Hotel Association of New York City Health Center (Kings County)

Residential Health Care Facility – Construction

Exhibit # 4

<u>Number</u>	<u>Applicant/Facility</u>
1. 191132 C	Canterbury Woods (Erie County)

B. Applications for Establishment and Construction of Health Care Facilities/Agencies

Ambulatory Surgery Centers - Establish/Construct

Exhibit # 5

<u>Number</u>	<u>Applicant/Facility</u>
1. 181193 B	Northern New York ASC, LLC d/b/a Northern New York Center for Surgery (Jefferson County)
2. 182236 B	Precision SC, LLC d/b/a PrecisionCare Surgery Center (Suffolk County)
3. 191095 B	Hauppauge SC, LLC d/b/a The Center for Advanced Spine and Joint Surgery (Suffolk County)
4. 191189 B	UWS ASC, LLC (New York County)
5. 191237 E	PBGS, LLC (Kings County)

Diagnostic and Treatment Center - Establish/Construct

Exhibit # 6

<u>Number</u>	<u>Applicant/Facility</u>
1. 191196 B	Shakespeare Operating, LLC d/b/a Bronx Treatment Center (Bronx County)
2. 191245 E	Planned Parenthood of New York City Inc. t/b/k/a Planned Parenthood of Greater New York, Inc. (New York County)

Dialysis Center - Establish/Construct

Exhibit # 7

<u>Number</u>	<u>Applicant/Facility</u>
1. 182296 B	Novo Dialysis Flatlands, LLC (Kings County)
2. 191077 B	Cobble Hill Dialysis (Kings County)
3. 191136 E	Cowley Dialysis, LLC d/b/a Hutchinson River Dialysis (Bronx County)

C. Home Health Agency Licensures

Exhibit # 8

Affiliated with Assisted Living Programs (ALPs)

<u>Number</u>	<u>Applicant/Facility</u>
1. 182301 E	Brookhaven Home Care, LLC (Suffolk County)
2. 191097 E	Oyster Bay Manor Home Care, Inc. (Nassau County)

Changes of Ownership with Consolidation

<u>Number</u>	<u>Applicant/Facility</u>
1. 191210 E	Supportive Home Care, LLC d/b/a Care365 Homecare (Kings County)

D. Certificates

Exhibit # 9

Certificate of Dissolution

Applicant

Jewish Care Services of Long Island, Inc.

Certificate of Amendment of the Certificate of Incorporation

Applicant

The Eastern Long Island Hospital Association

Rochester Primary Care Network, Inc.

Columbia-Greene Hospital Foundation

Restated Certificate of Incorporation

Applicant

Carthage Area Hospital, Inc.

Amended and Restated Certificate of Incorporation

Applicant

HealthCare Choices NY, Inc.

Memorial Sloan Kettering Cancer Center
and Affiliated Corporations

Combined Balance Sheets

	December 31	
	2018	2017
	<i>(In Thousands)</i>	
Assets		
Current assets:		
Cash and cash equivalents	\$ 677,079	\$ 900,411
Short-term investments – at fair value	89,184	239,472
Accounts receivable, net	615,885	497,547
Pledges, trusts and estates receivable	170,148	170,567
Other current assets	121,078	129,786
Total current assets	<u>1,673,374</u>	<u>1,937,783</u>
Noncurrent assets:		
Assets whose use is limited:		
Investments in marketable securities – at fair value:		
Construction, debt service and repair reserve funds	149,799	212,581
Captive insurance funds	59,572	54,770
Employee benefit funds	80,068	83,846
Total investments in marketable securities whose use is limited	<u>289,439</u>	<u>351,197</u>
Investments – at fair value	3,343,092	3,149,107
Investments internally designated for major capital projects	609,377	867,658
Investments in nonmarketable securities	–	11,900
Property and equipment – net	4,284,338	3,855,532
Pledges, trusts and estates receivable	321,621	361,550
Other noncurrent assets	102,326	101,285
Total noncurrent assets	<u>8,950,193</u>	<u>8,698,229</u>
Total assets	<u>\$ 10,623,567</u>	<u>\$ 10,636,012</u>
Liabilities and net assets		
Current liabilities:		
Accounts payable	\$ 580,598	\$ 489,603
Accrued expenses	414,405	387,955
Current portion of long-term debt	52,771	73,344
Total current liabilities	<u>1,047,774</u>	<u>950,902</u>
Noncurrent liabilities:		
Long-term debt, less current portion	2,348,600	2,715,704
Other noncurrent liabilities	799,780	864,303
Total liabilities	<u>4,196,154</u>	<u>4,530,909</u>
Net assets:		
Without donor restrictions:		
Undesignated	4,608,791	4,437,167
Board-designated	420,860	193,807
Total without donor restrictions	<u>5,029,651</u>	<u>4,630,974</u>
With donor restrictions	1,397,762	1,474,129
Total net assets	<u>6,427,413</u>	<u>6,105,103</u>
Total liabilities and net assets	<u>\$ 10,623,567</u>	<u>\$ 10,636,012</u>

Memorial Sloan Kettering Cancer Center
 and Affiliated Corporations

Combined Statements of Activities Without Donor Restrictions

	Year Ended December 31	
	2018	2017
	<i>(In Thousands)</i>	
Undesignated operating revenues		
Hospital care and services	\$ 3,973,778	\$ 3,536,976
Grants and contracts	334,536	296,493
Contributions	168,226	191,843
Net assets released from restrictions	122,701	86,800
Royalty and other income	159,140	159,458
Investment returns allocated to operations	151,473	137,750
Total operating revenues	<u>4,909,854</u>	<u>4,409,320</u>
Operating expenses		
Compensation and fringe benefits	2,587,336	2,335,132
Purchased supplies and services	1,756,174	1,501,935
Depreciation and amortization	300,239	287,145
Interest	47,045	45,343
Total operating expenses	<u>4,690,794</u>	<u>4,169,555</u>
Income from operations	<u>219,060</u>	<u>239,765</u>
Nonoperating income and expenses, net		
Net assets released from restrictions for capital purposes	25,000	15,000
Investment returns, net of expenses, allocation to operations and amounts recorded in net assets with donor restrictions	(112,061)	219,440
Pension settlement cost	(40,414)	(33,480)
Other nonoperating income and expenses, net	(34,927)	(53,581)
Total nonoperating income and expenses, net	<u>(162,402)</u>	<u>147,379</u>
Change in postretirement benefit obligation to be recognized in future periods	114,966	(120,481)
Increase in undesignated net assets	<u>171,624</u>	<u>266,663</u>
Board-designated		
Board-designated philanthropy	114,132	—
Board-designated investment return	30,626	3,004
Board-designated other additions	82,295	15,000
Increase in Board-designated net assets	<u>227,053</u>	<u>18,004</u>
Increase in net assets without donor restrictions	<u>\$ 398,677</u>	<u>\$ 284,667</u>

New York State Institutional Cost Report Provider Number: 33-0154 Provider Name: MEMORIAL HOSPITAL FOR CANCER AND ALLIED DISEASES	Period From: 01/01/2018 To: 12/31/2018	Date: 06/07/2019 Time: 14:03:23 Version: 2018.01
---	--	--

Balance Sheet

Exhibit 23

CMS Line No.	Assets	ICR Line Code	General Fund 00010	ICR Line Code	Specific Purpose Fund 00011	ICR Line Code	Endowment Fund 0011	ICR Line Code	Plant Fund 0011
	*** CURRENT ASSETS ***								
1	Cash on hand and in banks	001	\$1,000	001		101		051	
2	Temporary investments	002		002		102		052	
3	Notes receivable	007		005		105		056	
4	Accounts receivable	003	\$1,032,437,000	006		106		057	
5	Other receivables	008	\$4,805,000	007		107		053	
6	Allowances for uncollectibles	009	(\$533,423,000)	160		161		162	
	notes and accounts receivable								
7	Inventory	014	\$63,678,000	008		108		058	
8	Prepaid expenses	015	\$17,032,000	009		109		059	
9	Other current assets	017	\$30,590,000	004		104		055	
10	Due from other funds	016		003	\$258,700,000	103		054	
11	TOTAL CURRENT ASSETS	050	\$615,120,000	163	\$258,700,000	164		165	
	*** FIXED ASSETS ***								
12	Land	061	\$315,067,000	010		110		060	
13	Land improvements	062		011		111		061	
14	Accumulated depreciation	063		012		112		062	
15	Buildings	065	\$3,550,634,000	013		113		063	
16	Accumulated depreciation	066	(\$1,053,021,000)	014		114		064	
17	Leasehold improvements	071	\$86,714,000	015		115		065	
18	Accumulated amortization	072	(\$53,611,000)	016		116		066	
19	Fixed equipment	064	\$825,823,000	017		117		067	
20	Accumulated depreciation	077	(\$605,533,000)	018		118		068	
21	Automobiles and trucks	078		019		119		069	
22	Accumulated depreciation	079		020		120		070	
23	Major movable equipment	068		021		121		071	
24	Accumulated depreciation	069		022		122		072	
25	Minor equipment depreciable	075		023		123		073	
26	Accumulated depreciation	215		224		264		324	
27	HIT designated assets	218		227		267		327	

New York State Institutional Cost Report Provider Number: 33-0154 Provider Name: MEMORIAL HOSPITAL FOR CANCER AND ALLIED DISEASES	Period From: 01/01/2018 To: 12/31/2018	Date: 06/07/2019 Time: 14:03:23 Version: 2018.01
---	--	--

Balance Sheet

Exhibit 23

CMS Line No.	Liabilities and Fund Balances	ICR Line Code	General Fund 00010	ICR Line Code	Specific Purpose Fund 00011	ICR Line Code	Endowment Fund 0011	ICR Line Code 00042	Plant Fund 0011
28	Accumulated depreciation	219		228		268		328	
29	Minor equipment-nondepreciable	217		226		266		326	
30	TOTAL FIXED ASSETS	080	\$3,066,073,000	166		167		168	
	*** OTHER ASSETS ***								
31	Investments	081		042	\$17,916,000	152	\$156,928,000	093	
32	Deposits on leases	082		043		153		094	
33	Due from owners/officers	083		046		154		095	
34	Other assets	084	\$276,018,000	047		155		096	
35	TOTAL OTHER ASSETS	090	\$276,018,000	169	\$17,916,000	170	\$156,928,000	171	
36	TOTAL ASSETS	100	\$3,957,211,000	025	\$276,616,000	125	\$156,928,000	075	

New York State Institutional Cost Report Provider Number: 33-0154 Provider Name: MEMORIAL HOSPITAL FOR CANCER AND ALLIED DISEASES	Period From: 01/01/2018 To: 12/31/2018	Date: 06/07/2019 Time: 14:03:23 Version: 2018.01
---	--	--

Balance Sheet

Exhibit 23

CMS Line No.	Liabilities and Fund Balances	ICR Line Code	General Fund 00010	ICR Line Code	Specific Purpose Fund 00011	ICR Line Code	Endowment Fund 0011	ICR Line Code 00042	Plant Fund 0011
	*** CURRENT LIABILITIES ***								
37	Accounts payable	102	\$240,059,000	029		130		079	
38	Salaries, wages & fees payable	103	\$208,576,000	030		131		080	
39	Payroll taxes payable	104		031		132		081	
40	Notes & loans payable (Short term)	101		032		133		082	
41	Deferred income	108		033		134		083	
42	Accelerated payments	107							
43	Due to other funds	110		026		128		077	
44	Other current liabilities	113	\$315,406,000	352		357		362	
45	TOTAL CURRENT LIABILITIES	150	\$764,041,000	172		173		174	
	*** LONG TERM LIABILITIES ***								
46	Mortgage payable	152		035		137		086	
47	Notes payable	151		036		138		087	
48	Unsecured loans	153		037		139		088	
49	Other long term liabilities	156	\$1,403,646,000	028		129		078	
50	TOTAL LONG TERM LIABILITIES	175	\$1,403,646,000	175		176		177	
51	TOTAL LIABILITIES	177	\$2,167,687,000	178		179		180	
	*** CAPITAL ACCOUNTS ***								
52	General fund balance	176	\$1,789,524,000						
53	Specific purpose fund			044	\$276,616,000				
54	Donor created-endowment fund balance-restricted					146	\$156,928,000		
55	Donor created-endowment fund balance-unrestricted					147			
56	Governing body created-endowment fund balance					148			
57	Plant fund balance-invested in plant							099	
58	Plant fund balance-reserves for plant improvement, replacement & expansion							076	
59	TOTAL FUND BALANCES	400	\$1,789,524,000	400	\$276,616,000	401	\$156,928,000	402	
60	TOTAL LIABILITIES AND FUND BALANCES	200	\$3,957,211,000	050	\$276,616,000	150	\$156,928,000	100	

New York State Institutional Cost Report Provider Number: 33-0154 Provider Name: MEMORIAL HOSPITAL FOR CANCER AND ALLIED DISEASES	Period From: 01/01/2018 To: 12/31/2018	Date: 06/07/2019 Time: 14:03:23 Version: 2018.01
---	--	--

Statement of Changes in Fund Balances

Exhibit 24

	20230	ICR Line Code	General Fund 00013	Specific Purpose Fund 00014	Endowment Fund 00016	Plant Fund 00015
1	Fund balances at beginning of period	001	\$1,554,191,402	\$281,592,144	\$146,782,709	\$12,661,146
2	Net income (loss)(From Wkst G-3 line 29)	002	\$222,713,000			
3	Total (Sum of line 1 and line 2)	017	\$1,776,904,402	\$281,592,144	\$146,782,709	\$12,661,146
4	TRANSFERRED FROM PLANT REPL/EXPNSN FUND	003	\$12,619,571	(\$41,575)		(\$12,661,146)
5	RESTRICTED GIFTS AND BEQUESTS	004		\$23,917,210	\$10,144,794	
6	RESEARCH GRANTS	005				
7	INCOME FROM INVESTMENTS	006		(\$2,483,469)		
8	GAIN/LOSS FROM INVESTMENTS SOLD/REDEEMED	007				
9	NARFR TRANSFER	008		\$3,998,948		
10	Total additions (Sum of lines 4-9)	009	\$12,619,571	\$25,391,114	\$10,144,794	(\$12,661,146)
11	Subtotal (Line 3 plus line 10)	010	\$1,789,523,973	\$306,983,258	\$156,927,503	
12	DEDUCTIONS (Debit adjustments)(Specify)	011				
13	NET ASSETS RELEASED TO UNRESTRICTED	012		\$30,367,167		
14		013				
15	ROUNDING	014	(\$27)	\$91	(\$497)	
16		015				
17		016				
18	Total deductions (Sum of lines 12-17)	050	(\$27)	\$30,367,258	(\$497)	
19	Fund balance at end of period per balance sheet (Line 11 minus line 18)	060	\$1,789,524,000	\$276,616,000	\$156,928,000	

New York State Institutional Cost Report Provider Number: 33-0154 Provider Name: MEMORIAL HOSPITAL FOR CANCER AND ALLIED DISEASES	Period From: 01/01/2018 To: 12/31/2018	Date: 06/07/2019 Time: 14:03:23 Version: 2018.01
---	--	--

Statement of Patient Revenues and Operating Expenses

Exhibit 26

Part I - Patient Revenues

CMS Line No.	Revenue Center 20250	ICR Line Code	Inpatient 1 00305	Outpatient 2 00306	Total 3 00307
1	Hospital	002	\$959,056,313		\$959,056,313
2	Subprovider - IPF	003			
3	Subprovider - IRF	004			
4	Traumatic Brain Injury/Coma	030			
4.01	Long Term Psychiatric Unit	031			
5	Swing bed - SNF	005			
6	Swing bed - NF	007			
7	Skilled Nursing Facility	006			
8	Nursing Facility	032			
9	Other Long Term Care	009			
10	Total general inpatient care services (Sum of lines 1-9)	010	\$959,056,313		\$959,056,313
11	Intensive Care Unit	012	\$85,880,470		\$85,880,470
11.01	Pediatric ICU	132			
11.02	Cardiac ICU	204			
12	Coronary Care Unit	013			
13	Burn Intensive Care Unit	014			
14	Surgical Intensive Care Unit	015			
15	Neonatal Intensive Care Unit	025			
16	Total intensive care type I/P hospital services (sum of lines 11-15)	016	\$85,880,470		\$85,880,470
17	Total inpatient routine care services (sum of lines 10 and 16)	017	\$1,044,936,783		\$1,044,936,783
18	Ancillary services	018	\$1,234,321,166	\$3,261,231,331	\$4,495,552,497
19	Outpatient services	019	\$97,137,637	\$2,292,172,174	\$2,389,309,811
20	Rural Health Clinic	033			
21	Federally Qualified Health Clinic	034			
22	Home Health Agency	020			
23	Ambulance	021			
24	Outpatient Rehabilitation Providers	022			
25	ASC	026			
26	Hospice	027			

New York State Institutional Cost Report Provider Number: 33-0154 Provider Name: MEMORIAL HOSPITAL FOR CANCER AND ALLIED DISEASES	Period From: 01/01/2018 To: 12/31/2018	Date: 06/07/2019 Time: 14:03:23 Version: 2018.01
---	--	--

Statement of Patient Revenues and Operating Expenses	Exhibit 26
Part I - Patient Revenues	

CMS Line No.	Revenue Center 20250	ICR Line Code	Inpatient 1 00305	Outpatient 2 00306	Total 3 00307
27	Other Patient Revenues	023			
28	Total Patient Revenues (Sum of lines 17-27.99)	028	\$2,376,395,586	\$5,553,403,505	\$7,929,799,091

New York State Institutional Cost Report Provider Number: 33-0154 Provider Name: MEMORIAL HOSPITAL FOR CANCER AND ALLIED DISEASES	Period From: 01/01/2018 To: 12/31/2018	Date: 06/07/2019 Time: 14:03:23 Version: 2018.01
---	--	--

Statement of Patient Revenues and Operating Expenses

**Exhibit 26
(Continued)**

Part II - Operating Expenses

CMS Line No.	20255	ICR Line Code	1 00308
29	Operating Expenses (Per Worksheet A, Col 3, Line 200)	001	\$3,875,960,832
30	**ADD (Specify)**	002	
31		003	
32		004	
33		005	
34		006	
35		007	
36	Total Additions (Sum of lines 30-35)	011	
37	**DEDUCT (Specify)**	012	
38		013	
39		014	
40		015	
41		016	
42	Total Deductions (Sum of lines 37-41)	020	
43	Total Operating Expenses (Sum of lines 29 and 36 minus line 42)	025	\$3,875,960,832

New York State Institutional Cost Report Provider Number: 33-0154 Provider Name: MEMORIAL HOSPITAL FOR CANCER AND ALLIED DISEASES	Period From: 01/01/2018 To: 12/31/2018	Date: 06/07/2019 Time: 14:03:23 Version: 2018.01
---	--	--

Statement of Revenues and Expenses

Exhibit 26A

CMS Line No.	20260	ICR Line Code	1 00285
1	Total patient revenues (From Wkst G-2 Part I, Col 3 line 28)	001	\$7,929,799,091
2	Less: contractual allowances and discounts on patients' accounts	002	\$4,739,537,558
3	Net patient revenues (Line 1 minus line 2)	005	\$3,190,261,533
4	Less: total operating expenses (From Wkst G-2 Part II, Line 43)	006	\$3,875,960,832
5	Net income from service to patients (Line 3 minus line 4)	007	(\$685,699,299)
	Other Revenue		00037
6	Contributions, donations, bequests, etc.	120	\$26,677,567
7	Income from investments	123	\$14,480,832
24.03	Income from Board Designated Funds	122	
24.04	Unrestricted Income from Endowment Funds	121	
24.05	Donor Restricted Income from Endowment Funds	020	
24.06	Income from Funded Depreciation and Qualified Pension Plans	152	
24.07	Unrealized Investment Income or Loss	510	
8	Revenues from telephone and other miscellaneous communication services	007	
9	Revenue from television and radio service	013	
10	Purchase discounts	009	
11	Rebates and refunds of expenses	016	
12	Parking lot receipts	017	
13	Revenue from laundry and linen service	003	
14	Revenue from meals sold to employees and guests	005	\$369,178
15	Revenue from rental of living quarters	001	
16	Revenue from sale of medical and surgical supplies to other than patients	004	
17	Revenue from sale of drugs to other than patients	018	\$144,463,405
18	Revenue from sale of medical records and abstracts	008	\$494,458
19	Tuition (fees, sale of textbooks, uniforms, etc.)	006	
20	Revenue from gifts, flower, coffee shops, canteen	012	
21	Rental of vending machines	019	\$9,084

New York State Institutional Cost Report Provider Number: 33-0154 Provider Name: MEMORIAL HOSPITAL FOR CANCER AND ALLIED DISEASES	Period From: 01/01/2018 To: 12/31/2018	Date: 06/07/2019 Time: 14:03:23 Version: 2018.01
---	--	--

Statement of Revenues and Expenses

Exhibit 26A

CMS Line No.	20260	ICR Line Code	1 00037
22	Rental of hospital space	021	
23	Governmental appropriations (Exh 27, Line 090)		
24	Overhead on Research Grant	010	
24.08	UNRESTRICTED ASSETS RELEASED FROM R	011	\$5,078,331
24.09	GRANTS AND CONTRACTS	014	\$903,659
24.10	BILLINGS TO AFFILIATES	015	\$39,361,029
24.11	MEDICAL STAFF INCOME	150	\$625,887,007
24.12	OTHER	151	(\$1,016,065)
24.13	ROUNDING	153	
24.01	Appropriations from Special Funds - Offsets Recorded on Exhibit 27		\$29,135,252
24.02	Appropriations from Special Funds - Non-Offsets		
25	Total other income (Sum of lines 6-24.19)	100	\$885,843,737
26	Total (Line 5 plus line 25)	960	\$200,144,438
	Expenses:		
27.11	CHANGE IN POSTRETIREMENT BENEFIT OB	201	
27.12	OTHER EXPENSES	202	\$939,260
	Non-Operating (Gains) Losses:		
27	Unrestricted Gifts and Bequests	500	
27.01	Income from Board Designated Funds	501	\$3,925,000
27.02	Unrestricted Income from Endowment Funds	502	
27.03	Donor Restricted Income from Endowment Funds	503	
27.04	Unrealized Investment Income or Loss	511	
27.05	Income from Funded Depreciation and Qualified Pension Plans	504	
27.06	Third Party Payor Depreciation Funds	505	
27.07	Under Indenture Agreement	506	

New York State Institutional Cost Report Provider Number: 33-0154 Provider Name: MEMORIAL HOSPITAL FOR CANCER AND ALLIED DISEASES		Period From: 01/01/2018 To: 12/31/2018	Date: 06/07/2019 Time: 14:03:23 Version: 2018.01
Statement of Revenues and Expenses			Exhibit 26A
CMS Line No.	20260	ICR Line Code	1 00285
27.08	Health Facility Cash Assessment on Non-Pat Rel & Non-Oper Revenue	507	
27.09	REALIZED/UNREALIZED GAIN ON INVESTM	508	(\$2,432,822)
27.10	NET ASSETS RELEASED FROM RESTRICTIO	509	(\$25,000,000)
28	Total other expenses (Sum of lines 27 and subscripts)	204	(\$22,568,562)
29	Net income (or loss) for the period (Line 26 minus line 28)	205	\$222,713,000

New York State Institutional Cost Report Provider Number: 33-0154 Provider Name: MEMORIAL HOSPITAL FOR CANCER AND ALLIED DISEASES	Period From: 01/01/2018 To: 12/31/2018	Date: 06/07/2019 Time: 14:03:23 Version: 2018.01
Reconciliation to the Audited Financial Statements		Exhibit 28
Revenue and Expenses		00310
1. Total Charges for Services to Patients	001	\$7,929,799,091
2. Less: Discounts, Allowances, Assessments and Bad Debts	002	\$4,739,537,558
3. Net Patient Services Revenue	003	\$3,190,261,533
4. Add: Assessments	100	\$12,122,736
5. Other Revenue:		
A) TOTAL OTHER REVENUE PER EXHIBIT 26A	103	\$885,843,738
B) ROUNDING	104	
C)	105	
D)	106	
E)	107	
6. Other Reconciling Items (Explain):		
A) REVERSE PATIENT CARE COST ADJUSTMENT	110	(\$15,895,140)
B) DISCOUNTS ON CREDIT CARDS & CASH DISCOUN	112	\$646,938
C) MISC CAPITAL COST BACK	113	\$6,837,391
D)	114	
E)	115	
7. Total Revenue (Audited Financial Statements)	120	\$4,079,817,196
Expenses		
8. Total Expenses (from Exhibit 26A, Line 006)	011	\$3,875,960,832
9. Add: Assessments	130	\$12,122,736
10. Other Reconciling Items:		
A) REVERSE PATIENT CARE COST ADJUSTMENT	132	(\$15,895,140)
B) DISCOUNTS ON CREDIT CARDS & CASH DISCOUN	133	\$646,938
C) MISC CAPITAL COST BACK	134	\$6,837,391
D)	135	
E)	136	
11. Total Expenses (Audited Financial Statements)	140	\$3,879,672,757

New York State Institutional Cost Report Provider Number: 33-0154 Provider Name: MEMORIAL HOSPITAL FOR CANCER AND ALLIED DISEASES	Period From: 01/01/2018 To: 12/31/2018	Date: 06/07/2019 Time: 14:03:23 Version: 2018.01
Reconciliation to the Audited Financial Statements		Exhibit 28
Revenue and Expenses		00310
12. Total Non-Oper Gains (Losses) (from Exh 26A, Lines 500 to 509 and 511	155	\$23,507,822
13. Other Reconciling Items:		
A)	156	
B)	157	
C)	158	
D)	159	
E)	160	
14. Non Operating Gains and Losses (Net) Audit Financial	170	\$23,507,822
Statements:		
15. Revenues and Gains in Excess (Under) Expenses and Losses before	060	\$223,652,261
Extraordinary Items and Cumulative Effect of Accounting Changes		
13. Other Reconciling Items:		
A) Total Other Expenses (from Exhibit 26A, Lines 201 and 202)	171	(\$939,260)
B) ROUNDING	172	(\$1)
C)	173	
D)	174	
E)	175	
14. Cumulative Effect of Accounting Changes (Audited Financial Statements)	180	(\$939,261)
18. Revenues and Gains in Excess (Under) Expenses and Losses	190	\$222,713,000



Department of Health

ANDREW M. CUOMO
Governor

HOWARD A. ZUCKER, M.D., J.D.
Commissioner

SALLY DRESLIN, M.S., R.N.
Executive Deputy Commissioner

February 27, 2019

DHDTC DAL 19-03

Dear CEO/CFO/Administrator:

Part 705 of Title 10 of the New York Codes, Rules and Regulations (NYCRR) authorizes the Commissioner of Health to approve time-limited demonstration projects to evaluate the medical efficacy, cost effectiveness and efficiency of, and need for new medical technologies involving innovations in medical equipment or health services, before such equipment and services may be considered as usual, customary and generally accepted modalities of providing patient care.

The New York State Department of Health (Department) convened a special joint meeting of the Health Planning Committee and Establishment and Project Review Committee of the Public Health and Health Planning Council on April 12, 2018 to present the concept and framework for a demonstration program for establishing observation services at cancer care centers located at hospital extension clinics. The materials from that meeting can be located on the Department's website at https://www.health.ny.gov/facilities/public_health_and_health_planning_council/meetings/2018-04-12/docs/part_705_demo_project_observ_beds.pdf.

The Department is soliciting proposals to implement and evaluate the appropriateness of providing observation services to patients being treated for cancer (infusion and/or radiation) in off-campus hospital extension clinics. Proposed projects to be located in extension clinics that are on a hospital inpatient campus will not be considered for this demonstration project. Applicants must demonstrate the appropriateness for providing observation services in the proposed remote/distant extension clinic location.

I. Purpose of the Demonstration:

Observation services are post-stabilization services appropriate for short-term treatments, assessment, and re-assessment of those patients for whom diagnosis and a determination concerning inpatient admission, discharge, or transfer can reasonably be expected within forty-eight hours (10 NYCRR 405.32). The delivery of observation services has been recognized and accepted as an effective means of providing necessary care to certain patients. State and Federal regulations require medical oversight, ancillary services and physical environment consistent with inpatient services for patients placed in observation status. Currently, regulations only permit observation services to be provided in the main hospital and division locations.

Hospital extension clinics are not currently recognized as a "usual and customary modality" for providing observation services. With ongoing advances in medical technology and the continued need to innovate to achieve the triple aim of reducing costs, increasing quality and improving patient experience, making observation services available outside of a hospital setting may be a beneficial new model of care. Doing so may enable patients to access appropriate levels of care closer to home, help to alleviate overcrowding at the main clinical

campus of a regional health care system, and leverage telemedicine services in support of observation services. This demonstration program opportunity would allow observation services to be provided in off-campus hospital extension clinics, specifically for patients undergoing treatment for cancer.

Consistent with 10 NYCRR §705.1, the goal of the demonstration project is to determine if the delivery of observation services to cancer patients in off-campus hospital extension clinics is medically effective, can be efficiently provided at a reasonable cost, and supportive of patient need and choice. To that end, the project will evaluate the overall cost effectiveness, quality of care and patient experience.

II. Duration of the Demonstration:

The demonstration project period will be limited to five years. The five-year period will start on the date that health care services become available at the demonstration site. During the demonstration period, approved applicants will be required to submit periodic reports and a final report. An approved project must be operational within six months of the date of the Department's approval of the proposal.

If the Commissioner determines that the project achieved Department goals, applicants participating in the project, and other hospitals, will be able to apply for authorization under provisions in Section 2802 of the Public Health Law and Part 710 of Title 10 of the NYCRR.

III. Who May Apply:

New York State Public Health Law Article 28-licensed general hospitals are eligible to submit proposals for consideration for a demonstration project.

IV. Demonstration Project Requirements:

The following parameters have been established for the Observation Bed Demonstration Project:

- A. A maximum of five projects will be designated statewide. Projects will be reviewed based on the degree to which they are expected to improve access to care.
- B. An individual applicant hospital may submit one proposal and it must be for one extension clinic site.
- C. Observation beds must be located within a licensed hospital extension clinic which is directly controlled by the governing body of the hospital.
- D. No more than three observation beds will be permitted in an approved extension clinic location.
- E. Services are limited to patients over the age of 18 with the primary diagnosis of cancer.
- F. Patients must be undergoing active treatment for cancer (not in remission) and be ambulatory.
- G. The hospital extension clinic providing observation services must operate 24 hours per day, 7 days per week.
- H. Extension clinics providing observation services must be compliant with State and Federal Life Safety Code and Physical Environment regulations applicable to hospital inpatient services. No waivers will be considered for these proposals.
- I. Services provided to patients in observation status must be consistent with all services provided to patients admitted to the hospital. This includes staffing, quality of care, privacy, diagnostic testing, dietary, ancillary, and support services.

- J. Hospital extension clinics providing observation services must ensure the availability of staff and equipment for resuscitation.
- K. Hospital extension clinics providing observation services must establish protocols for transfer and discharge.
- L. Approved extension clinic sites must be operational within six months of the date of the Department's approval of the proposal.

The Department does not anticipate establishing any special Medicaid reimbursement rates, or otherwise providing any extraordinary funding associated with this demonstration program.

V. Data and Reporting Requirements:

Consistent with 10 NYCRR §705.8, approved applicants must submit reports every six months for the duration of the project. A final report is required within 90 days of the project end date.

Reports must include, at a minimum, the following information, solely related to care provided to cancer patients:

- A. Utilization rates for the extension clinic observation beds and observation beds operated elsewhere in the hospital.
- B. Average charge and cost for the extension clinic observation beds and observation beds operated elsewhere in the hospital.
- C. Patient satisfaction/experience data for the extension clinic observation beds and observation beds operated elsewhere in the hospital. The applicant hospital should include the patient satisfaction/experience measures that are proposed to be used in its application.
- D. Medical and nursing staff experience, including the primary care physician's experience regarding communication and timeliness of information.
- E. Comorbidity analysis of extension clinic versus hospital patients (i.e., what types of patients are being seen at the extension clinic compared to those being seen at the hospital).
- F. Projected impact on case mix at hospital location(s) where the demonstration project patients previously would have been treated.
- G. Telemedicine use by extension clinic physicians and mid-level providers, to capture the volume, type and outcome of telemedicine modalities used. The Department will provide more details prior to the commencement of demonstration adult cancer service delivery at the approved extension clinic site.
- H. Metrics related to timeliness of diagnostic and treatment services received by patients at the extension clinic versus those at hospital location(s). For example, to what degree have patient wait times for visits/services declined? To what degree have wait times in hospital location(s) declined as a result of patients being seen at the extension clinic?
- I. A description of each extension clinic's adult cancer patient population, including but not limited to age categories, length of stay, diagnoses requiring observation stays, treatments provided during observation stays, discharge locations, and reasons for readmission to any setting in subsequent 30 days, if applicable.

In addition, approved programs will be required to report adverse events related to the diagnosis, treatment, and care of adult cancer patients at the extension clinic site. The Department will provide additional information regarding the reporting of adverse events prior to

the commencement of demonstration adult cancer service delivery at the approved extension clinic site.

VI. Proposal Content:

Applicants must submit their proposals in the form of a Full Review CON application through NYSE-CON. Applicants should include a written narrative of the proposal not to exceed 30 pages, in the form of a supplemental attachment to the CON application. This narrative should address in detail the framework of the proposal, including, at a minimum:

- A. The name, location, and operating certificate number of the proposed extension clinic site.
- B. The number of observation beds proposed for the site.
- C. The staffing plan for the demonstration project observation services, by shift and discipline.
- D. The annual projected annual utilization and average daily census for the extension clinic observation beds.
- E. The name and location of the hospital(s) at which patients that are expected to utilize services at the extension clinic during the demonstration period, currently receive cancer treatment and related observation services.
- F. The projected impact on annual utilization and average daily census of observation services at those hospital(s).
- G. The projected annual revenue and cost of the proposed project, and the projected fiscal impact on the related hospital(s).
- H. A description of what, if any, telehealth services are projected to be utilized as part of the cancer treatment and observation services provided as part of the demonstration project.
- I. A description of the patient population expected to receive cancer treatment and observation services at the extension clinic, including geographic location, and the anticipated impact on their need for and access to those services.
- J. A description of the medical effectiveness, patient safety, cost efficiency, and patient experience goals of the project, target benchmarks for each goal, and how performance toward achieving each goal will be measured and evaluated.
- K. A description of how the applicant hospital will ensure compliance with State and Federal hospital regulatory requirements for patient services at the extension location. The proposal must specifically describe how the demonstration project will comply with the requirements specified in 10 NYCRR 405.32 Observation services.
- L. A description of how the proposal will address patient safety and patient satisfaction.

VII. Proposal Review Process:

Proposals are subject to full review, consistent with 10 NYCRR 705.7. Proposals will initially be reviewed by a Technical Advisory Group (TAG), consistent with 10 NYCRR 705.5. In reviewing applications and making recommendations to the Commissioner, the technical advisory group will consider factors, including but not limited to:

- A. The extent to which an applicant's proposal meets the goals of the demonstration as set by the Commissioner.
- B. The adequacy of the methodology proposed for the demonstration.
- C. The ability of the proposed demonstration to collect data required for an analysis of the project.
- D. The adequacy and appropriateness of the plan for organizing and carrying out the project.
- E. The technical qualifications of the principal investigator and the proposed project staff.

- F. The reasonableness of the proposed budget in relation to the proposed project.
- G. The adequacy of the facility and resources available to the applicant.
- H. Where an application involves activities, which could have an adverse health effect upon individuals participating in the demonstration, the adequacy of the proposed means for protecting against or minimizing such effects.
- I. The relevance and status of any approvals required by the Federal Food and Drug Administration or the subject of the demonstration project.
- J. The number of applications to be approved.

Projects recommended by the TAG will be presented to the Public Health and Health Planning Council for its recommendation. The Commissioner will decide the final approval of projects.

VIII. Proposal Submission Process

Proposals must be submitted through the New York State Electronic Certificate of Need (NYSE-CON) system, as a Full Review Construction application, no later than 5:00 p.m. Friday, May 31, 2019. The \$3,000 application fee must be received within seven days of application submission, referencing the application submission number, and mailed to:

Bureau of Project Management
New York State Department of Health
Corning Tower, Room 1842
Albany, NY 12237

Further information concerning this demonstration and the proposal process may be obtained by writing to CONS@health.ny.gov. Questions should be submitted by 5:00 p.m. Friday, March 29, 2019. Answers will be posted to the Department's website by 5:00 p.m. Friday, April 12, 2019.

Sincerely,



Daniel B. Sheppard, Deputy Commissioner
Office of Primary Care and Health Systems
Management

SYRACUSE SURGERY CENTER, LLC

NORTH SYRACUSE, NEW YORK

BALANCE SHEETSDECEMBER 31,ASSETS

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current Assets:			
Cash	\$ 484,013	\$ 356,487	\$ 94,426
Accounts Receivable - Net of Allowance for Contractual Adjustments	199,740	173,089	257,438
Total Current Assets	<u>683,753</u>	<u>529,576</u>	<u>351,864</u>
Property and Equipment:			
Equipment and Furniture	208,535	208,535	208,535
Leasehold Improvements	1,287,861	1,287,861	1,287,861
	<u>1,496,396</u>	<u>1,496,396</u>	<u>1,496,396</u>
Less: Accumulated Depreciation Property and Equipment - Net	876,681	721,441	565,002
	<u>619,715</u>	<u>774,955</u>	<u>931,394</u>
Intangible Assets	<u>73,644</u>	<u>81,008</u>	<u>88,373</u>
 TOTAL ASSETS	 <u>\$ 1,377,112</u>	 <u>\$ 1,385,539</u>	 <u>\$ 1,371,631</u>

LIABILITIES AND MEMBERS' EQUITY

Current Liabilities:			
Current Portion of Long-Term Debt	\$ 102,820	\$ 124,310	\$ 176,000
Accounts Payable	59,293	22,555	103,885
Accrued Expenses	49,902	48,581	44,133
Total Current Liabilities	<u>212,015</u>	<u>195,446</u>	<u>324,018</u>
Long-Term Debt	<u>411,444</u>	<u>470,376</u>	<u>595,359</u>
Total Liabilities	<u>623,459</u>	<u>665,822</u>	<u>919,377</u>
Members' Equity	<u>753,653</u>	<u>719,717</u>	<u>452,254</u>
 TOTAL LIABILITIES & MEMBERS' EQUITY	 <u>\$ 1,377,112</u>	 <u>\$ 1,385,539</u>	 <u>\$ 1,371,631</u>

SYRACUSE SURGERY CENTER, LLC

NORTH SYRACUSE, NEW YORK

STATEMENTS OF INCOME AND MEMBERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31,

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Revenues:			
Fee Income	\$ 4,322,621	\$ 4,025,654	\$ 4,119,424
Contractual Adjustments	(2,026,165)	(1,880,970)	(1,864,103)
Miscellaneous Income	41,825	54,725	52,375
Total Revenue	<u>2,338,281</u>	<u>2,199,409</u>	<u>2,307,696</u>
Operating Expenses:			
Salaries and Wages	406,161	405,023	417,501
Payroll Taxes	37,230	39,767	43,066
Profit Sharing Retirement Plan	49,470	40,994	39,061
Depreciation & Amortization	162,604	163,804	167,137
Dues & Subscriptions	4,866	2,110	8,285
Insurance	70,179	64,433	46,758
Interest	18,498	24,190	30,180
Legal & Accounting	31,535	22,020	24,898
Office & Miscellaneous	27,840	22,202	25,310
Outside Services	92,505	88,492	106,715
Rent	131,418	130,737	130,305
Repairs & Maintenance	41,262	27,358	22,938
Supplies - Medical	252,795	210,985	212,837
Telephone	4,517	3,259	5,179
Utilities	30,428	26,934	29,967
Total Operating Expenses	<u>1,361,308</u>	<u>1,272,308</u>	<u>1,310,137</u>
Net Income	976,973	927,101	997,559
Distributions to Members	(943,037)	(659,638)	(1,144,199)
Members' Equity - Beginning of Year	<u>719,717</u>	<u>452,254</u>	<u>598,894</u>
Members' Equity - End of Year	<u>\$ 753,653</u>	<u>\$ 719,717</u>	<u>\$ 452,254</u>

**Syracuse Surgery Center, LLC
Statement of Assets, Liabilities,
and Equity - Cash Basis
As of December 31, 2018**

BFA Attachment B
CON 191215

ASSETS

Current Assets:

Cash - NBT Bank	\$ 391,011.97
Prepaid Rent	<u>9,600.00</u>

Total Current Assets	\$ 400,611.97
-----------------------------	----------------------

Property and Equipment:

Equipment & Furniture	\$ 208,534.62
Accumulated Depreciation	(200,661.15)
Leasehold Improvements	1,330,643.70
Accumulated Depreciation	<u>(217,375.08)</u>

Net Property and Equipment	1,121,142.09
-----------------------------------	---------------------

Other Assets:

Customer List	\$ 110,466.21
Accumulated Amortization	<u>(44,186.46)</u>

Total Other Assets	<u>66,279.75</u>
---------------------------	-------------------------

Total Assets	<u>\$ 1,588,033.81</u>
---------------------	-------------------------------

**Syracuse Surgery Center, LLC
Statement of Assets, Liabilities,
and Equity - Cash Basis
As of December 31, 2018**

BFA Attachment B
(Cont'd) CON 191215

LIABILITIES AND MEMBERS' EQUITY

Current Liabilities:

Accrued Profit Sharing	\$ 41,018.88	
Due to Vickery Realty, LLC	1,051.96	
Note Payable - NBT Bank # 3	99,000.00	
Note Payable - NBT Bank	<u>8,820.00</u>	
Total Current Liabilities		\$ 149,890.84

Long-Term Debt:

Note Payable - NBT Bank # 3	\$ 279,399.73	
Note Payable - NBT Bank	<u>25,502.28</u>	
Total Long-Term Debt		<u>304,902.01</u>
Total Liabilities		454,792.85

Members' Equity:

Distributions - Bersani	\$ (881,150.80)	
Distributions - Hill	(239,000.00)	
Distributions - Carruth	(165,000.00)	
Members' Equity - Beginning	1,137,039.84	
Net Income (Loss) - Year-to-Date	<u>1,281,351.92</u>	
Total Members' Equity		<u>1,133,240.96</u>
Total Liabilities and Equity		<u>\$ 1,588,033.81</u>

Syracuse Surgery Center, LLC
Statement of Revenues and Expenses - Cash Basis
For the Twelve Months Ended December 31, 2018

BFA Attachment B
(Cont'd) CON 191215

	Current Period	%	Year-to-Date	%
Revenue:				
Fee Income - MMRI	\$ 214,368.24	97.12	\$ 2,588,535.80	96.52
Patient Refunds	60.00	0.03	(11,428.06)	(0.43)
Fee Income - Cosmetic	6,300.00	2.85	61,680.00	2.30
Income - MLMIC	0.00	0.00	42,991.47	1.60
Total Revenue	<u>220,728.24</u>	<u>100.00</u>	<u>2,681,779.21</u>	<u>100.00</u>
Operating Expenses:				
Accounting Fees	3,750.00	1.70	27,800.00	1.04
Advertising and Promotion	0.00	0.00	178.98	0.01
Amortization	613.70	0.28	7,364.41	0.27
Continuing Education	99.00	0.04	2,055.00	0.08
Depreciation	4,155.46	1.88	49,865.59	1.86
Discounts	285.01	0.13	4,697.45	0.18
Dues and Subscriptions	750.00	0.34	4,382.70	0.16
Insurance - Disability	(50.13)	(0.02)	(267.01)	(0.01)
Insurance - General	273.50	0.12	9,103.61	0.34
Insurance - Malpractice	0.00	0.00	11,150.00	0.42
Insurance - Medical	8,138.35	3.69	61,462.60	2.29
Interest Expense	1,237.95	0.56	16,893.68	0.63
Legal Fees	(240.50)	(0.11)	17,483.68	0.65
Medical Supplies	23,762.88	10.77	285,462.94	10.64
Medical Supplies - Allergan	0.00	0.00	482.00	0.02
NYS Franchise Tax	0.00	0.00	1,500.00	0.06
Office Supplies	531.84	0.24	11,810.13	0.44
Outside Services	6,700.00	3.04	98,361.83	3.67
Payroll Service	489.67	0.22	4,285.38	0.16
Payroll Taxes	5,601.80	2.54	42,853.37	1.60
Penalties	0.00	0.00	100.00	0.00
Postage	8.58	0.00	503.76	0.02
Profit Sharing Contribution	8,549.07	3.87	63,069.55	2.35
Property Taxes	0.00	0.00	16,697.36	0.62
Rent	9,600.00	4.35	115,200.00	4.30
Repairs and Maintenance	2,850.41	1.29	34,380.67	1.28
Salaries - Office	75,117.47	34.03	507,528.57	18.93

Syracuse Surgery Center, LLC
Statement of Revenues and Expenses - Cash Basis
For the Twelve Months Ended December 31, 2018

BFA Attachment B
(Cont'd) CON 191215

	Current Period	%	Year-to-Date	%
Salaries Deferral - 401K	(1,916.91)	(0.87)	(22,000.58)	(0.82)
Salaries Deferral - Section 125	(638.92)	(0.29)	(8,305.96)	(0.31)
Telephone	342.17	0.16	4,633.04	0.17
Travel and Entertainment	0.00	0.00	904.30	0.03
Utilities	2,305.41	1.04	30,790.24	1.15
Total Operating Expenses	<u>152,315.81</u>	<u>69.01</u>	<u>1,400,427.29</u>	<u>52.22</u>
Net Income (Loss)	<u>\$ 68,412.43</u>	<u>30.99</u>	<u>\$ 1,281,351.92</u>	<u>47.78</u>

**Syracuse Surgery Center, LLC
Statement of Assets, Liabilities,
and Equity - Cash Basis
As of March 31, 2019**

BFA Attachment C
CON 191215

ASSETS

Current Assets:

Cash - NBT Bank	\$ 472,558.15	
Prepaid Rent	<u>9,600.00</u>	
Total Current Assets		\$ 482,158.15

Property and Equipment:

Equipment & Furniture	\$ 208,534.62	
Accumulated Depreciation	(202,629.52)	
Leasehold Improvements	1,330,643.70	
Accumulated Depreciation	<u>(225,906.55)</u>	
Net Property and Equipment		1,110,642.25

Other Assets:

Customer List	\$ 110,466.21	
Accumulated Amortization	<u>(46,027.56)</u>	
Total Other Assets		<u>64,438.65</u>
Total Assets		<u>\$ 1,657,239.05</u>

**Syracuse Surgery Center, LLC
Statement of Assets, Liabilities,
and Equity - Cash Basis
As of March 31, 2019**

BFA Attachment C
(Cont'd) CON 191215

LIABILITIES AND MEMBERS' EQUITY

Current Liabilities:

Accrued Profit Sharing	\$ 3,713.99	
Due to Profit Sharing	56.72	
Note Payable - NBT Bank # 3	99,000.00	
Note Payable - NBT Bank	<u>8,820.00</u>	
Total Current Liabilities		\$ 111,590.71

Long-Term Debt:

Note Payable - NBT Bank # 3	\$ 255,579.04	
Note Payable - NBT Bank	<u>23,484.90</u>	
Total Long-Term Debt		<u>279,063.94</u>
Total Liabilities		390,654.65

Members' Equity:

Distributions - Bersani	\$ (150,000.00)	
Members' Equity - Beginning	1,133,240.96	
Net Income (Loss) - Year-to-Date	<u>283,343.44</u>	
Total Members' Equity		<u>1,266,584.40</u>
Total Liabilities and Equity		<u>\$ 1,657,239.05</u>

Syracuse Surgery Center, LLC
Statement of Revenues and Expenses - Cash Basis
For the Three Months Ended March 31, 2019

BFA Attachment C
(Cont'd) CON 191215

	Current Period	%	Year-to-Date	%
Revenue:				
Fee Income - MMRI	\$ 637,575.72	97.83	\$ 637,575.72	97.83
Patient Refunds	(475.57)	(0.07)	(475.57)	(0.07)
Fee Income - Cosmetic	14,625.00	2.24	14,625.00	2.24
Total Revenue	<u>651,725.15</u>	<u>100.00</u>	<u>651,725.15</u>	<u>100.00</u>
Operating Expenses:				
Accounting Fees	8,810.00	1.35	8,810.00	1.35
Amortization	1,841.10	0.28	1,841.10	0.28
Continuing Education	297.00	0.05	297.00	0.05
Depreciation	10,499.84	1.61	10,499.84	1.61
Discounts	1,384.14	0.21	1,384.14	0.21
Dues and Subscriptions	338.00	0.05	338.00	0.05
Insurance - Disability	(318.15)	(0.05)	(318.15)	(0.05)
Insurance - General	1,203.50	0.18	1,203.50	0.18
Insurance - Medical	21,070.80	3.23	21,070.80	3.23
Interest Expense	3,610.90	0.55	3,610.90	0.55
Legal Fees	4,799.75	0.74	4,799.75	0.74
Medical Supplies	79,799.67	12.24	79,799.67	12.24
Medical Supplies - Allergan	1,049.00	0.16	1,049.00	0.16
NYS Franchise Tax	1,500.00	0.23	1,500.00	0.23
Office Supplies	4,934.44	0.76	4,934.44	0.76
Outside Services	24,007.35	3.68	24,007.35	3.68
Payroll Service	1,140.53	0.18	1,140.53	0.18
Payroll Taxes	14,011.28	2.15	14,011.28	2.15
Postage	200.00	0.03	200.00	0.03
Profit Sharing Contribution	9,051.65	1.39	9,051.65	1.39
Rent	28,800.00	4.42	28,800.00	4.42
Repairs and Maintenance	8,053.04	1.24	8,053.04	1.24
Salaries - Office	140,628.70	21.58	140,628.70	21.58
Salaries Deferral - 401K	(6,258.03)	(0.96)	(6,258.03)	(0.96)
Salaries Deferral - Section 125	(2,236.22)	(0.34)	(2,236.22)	(0.34)
Telephone	1,212.95	0.19	1,212.95	0.19
Travel and Entertainment	862.97	0.13	862.97	0.13

Syracuse Surgery Center, LLC
Statement of Revenues and Expenses - Cash Basis
For the Three Months Ended March 31, 2019

BFA Attachment C
(Cont'd) CON 191215

	Current Period	%	Year-to-Date	%
Utilities	<u>8,087.50</u>	<u>1.24</u>	<u>8,087.50</u>	<u>1.24</u>
Total Operating Expenses	<u>368,381.71</u>	<u>56.52</u>	<u>368,381.71</u>	<u>56.52</u>
Net Income (Loss)	<u>\$ 283,343.44</u>	<u>43.48</u>	<u>\$ 283,343.44</u>	<u>43.48</u>

Syracuse Surgery Center, LLC
Statements of Revenues and Expenses - Cash Basis
For the Three Months Ended March 31, 2019

BFA Attachment C
(Cont'd) CON 191215

	Year-to-Date This Year	Year-to-Date Last Year	Difference
Revenue:			
Fee Income - MMRI	\$ 637,575.72	\$ 620,596.13	\$ 16,979.59
Patient Refunds	(475.57)	(4,659.79)	4,184.22
Fee Income - Cosmetic	14,625.00	18,105.00	(3,480.00)
Total Revenue	<u>651,725.15</u>	<u>634,041.34</u>	<u>17,683.81</u>
Operating Expenses:			
Accounting Fees	8,810.00	6,400.00	2,410.00
Amortization	1,841.10	1,841.11	(0.01)
Continuing Education	297.00	617.00	(320.00)
Depreciation	10,499.84	12,466.41	(1,966.57)
Discounts	1,384.14	830.83	553.31
Dues and Subscriptions	338.00	7,636.29	(7,298.29)
Insurance - Disability	(318.15)	(224.49)	(93.66)
Insurance - General	1,203.50	919.40	284.10
Insurance - Malpractice	0.00	2,184.00	(2,184.00)
Insurance - Medical	21,070.80	12,907.35	8,163.45
Interest Expense	3,610.90	4,631.60	(1,020.70)
Legal Fees	4,799.75	9,796.50	(4,996.75)
Medical Supplies	79,799.67	63,865.27	15,934.40
Medical Supplies - Allergan	1,049.00	0.00	1,049.00
NYS Franchise Tax	1,500.00	1,500.00	0.00
Office Supplies	4,934.44	2,158.83	2,775.61
Outside Services	24,007.35	24,862.45	(855.10)
Payroll Service	1,140.53	1,220.58	(80.05)
Payroll Taxes	14,011.28	12,428.83	1,582.45
Postage	200.00	10.15	189.85
Profit Sharing Contribution	9,051.65	7,674.46	1,377.19
Property Taxes	0.00	5,237.01	(5,237.01)
Rent	28,800.00	38,400.00	(9,600.00)
Repairs and Maintenance	8,053.04	9,058.57	(1,005.53)
Salaries - Office	140,628.70	117,594.52	23,034.18
Salaries Deferral - 401K	(6,258.03)	(4,893.68)	(1,364.35)
Salaries Deferral - Section 125	(2,236.22)	(2,236.22)	0.00

Syracuse Surgery Center, LLC
Statements of Revenues and Expenses - Cash Basis
For the Three Months Ended March 31, 2019

BFA Attachment C
 (Cont'd) CON 191215

	Year-to-Date This Year	Year-to-Date Last Year	Difference
Telephone	1,212.95	1,125.67	87.28
Travel and Entertainment	862.97	383.35	479.62
Utilities	8,087.50	0.00	8,087.50
Total Operating Expenses	<u>368,381.71</u>	<u>338,395.79</u>	<u>29,985.92</u>
Net Income (Loss)	<u>\$ 283,343.44</u>	<u>\$ 295,645.55</u>	<u>\$ (12,302.11)</u>

**THE NEW YORK TRADES COUNCIL AND HOTEL ASSOCIATION OF
NEW YORK CITY, INC. HEALTH CENTER, INC.**

Statements of Financial Position

	<u>December 31,</u>	
	<u>2017</u>	<u>2016</u>
Assets:		
Cash and Cash Equivalents	\$ 2,657,301	\$ 4,990,724
Advances to Affiliates	620,389	312,415
Prepaid Expenses	244,921	541,139
Investments	--	49,731
Property and Equipment:		
Buildings and Building Improvements	197,774,325	150,561,850
Land	24,242,421	24,335,421
Computer Equipment	5,293,900	3,278,685
Furniture and Fixtures	12,113,591	9,119,022
Totals	239,424,237	187,294,978
Less: Accumulated Depreciation and Amortization	46,323,108	43,675,798
Total Property and Equipment - Net	<u>193,101,129</u>	<u>143,619,180</u>
Total Assets	<u>\$196,623,740</u>	<u>\$149,513,189</u>
Liabilities and Net Assets:		
Liabilities:		
Accounts Payable	\$ 5,817,369	\$ 6,003,750
Accrued Expenses	5,386,612	1,038,314
Deferred Revenue	111,088,968	112,332,747
Total Liabilities	122,292,949	119,374,811
Net Assets:		
Unrestricted	<u>74,330,791</u>	<u>30,138,378</u>
Total Liabilities and Net Assets	<u>\$196,623,740</u>	<u>\$149,513,189</u>

**THE NEW YORK TRADES COUNCIL AND HOTEL ASSOCIATION OF
NEW YORK CITY, INC. HEALTH CENTER, INC.**

Statements of Activities

	<u>Years ended</u> <u>December 31,</u>	
	<u>2017</u>	<u>2016</u>
Changes in Unrestricted Net Assets:		
Revenues and Gains:		
Health Service Fees	\$ 260,772,150	\$ 199,865,172
Pharmacy Sales	5,127,523	5,034,320
Rebates	4,286,872	4,170,099
Rental Income	1,322,069	1,288,110
Miscellaneous Income	608,400	310,264
Interest and Dividends	3,947	4,260
Net (Depreciation) Appreciation in Fair Value of Investments	<u>(49,731)</u>	<u>7,417</u>
Total Revenues and Gains	<u>272,071,230</u>	<u>210,679,642</u>
Expenses:		
Program Services and Benefits:		
Patient Services	82,274,723	79,980,240
Prescription Drug Benefits	62,504,310	55,785,331
Dental	34,087,566	31,172,758
X-Ray	11,127,884	9,350,566
Laboratory	<u>10,112,984</u>	<u>8,513,424</u>
Total Program Services and Benefits	<u>200,107,467</u>	<u>184,802,319</u>
Support Services:		
Depreciation and Amortization	3,311,386	2,635,527
Administrative expenses	<u>24,459,964</u>	<u>22,833,957</u>
Total Support Services	<u>27,771,350</u>	<u>25,469,484</u>
Total Expenses	<u>227,878,817</u>	<u>210,271,803</u>
Increase in Unrestricted Net Assets	44,192,413	407,839
Unrestricted Net Assets - Beginning of Years	<u>30,138,378</u>	<u>29,730,539</u>
Unrestricted Net Assets - End of Years	<u>\$ 74,330,791</u>	<u>\$ 30,138,378</u>

**THE NEW YORK TRADES COUNCIL AND HOTEL ASSOCIATION OF
NEW YORK CITY, INC. HEALTH CENTER, INC.**

Statements of Cash Flows

	<u>Years ended</u> <u>December 31,</u>	
	<u>2017</u>	<u>2016</u>
Cash Flows from Operating Activities:		
Changes in Unrestricted Net Assets	\$ 44,192,413	\$ 407,839
Adjustment to Reconcile Changes in Unrestricted Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	3,311,386	2,635,527
Net (Appreciation) Depreciation of Investments	49,731	(7,417)
(Gain) on Disposal of Property and Equipment	(306,879)	--
Changes in Assets and Liabilities:		
(Increase) Decrease in:		
Prepaid Expenses	296,218	(292,225)
Increase (Decrease) in:		
Accounts Payable	(186,381)	602,167
Deferred Revenue	(1,243,779)	48,648,191
Accrued Expenses	4,348,298	(605,927)
Total Adjustments	<u>6,268,594</u>	<u>50,980,316</u>
Net Cash Provided by Operating Activities	<u>50,461,007</u>	<u>51,388,155</u>
Investing Activities:		
Net Advances (to) from Affiliates	(307,974)	975,439
Purchase of Property and Equipment	<u>(52,486,456)</u>	<u>(50,314,979)</u>
Net Cash (Used for) Investing Activities	<u>(52,794,430)</u>	<u>(49,339,540)</u>
Net (Decrease) Increase in Cash and Cash Equivalents	(2,333,423)	2,048,615
Cash and Cash Equivalents - Beginning of Years	<u>4,990,724</u>	<u>2,942,109</u>
Cash and Cash Equivalents - End of Years	<u>\$ 2,657,301</u>	<u>\$ 4,990,724</u>
Supplemental Disclosures of Cash Flow Information:		
Cash paid during the years for:		
Interest	\$ --	\$ --
Income Taxes	\$ --	\$ --

Episcopal Church Home & Affiliates Life Care Community, Inc.
D/B/A Canterbury Woods
Financial Summary

FISCAL PERIOD ENDED	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>
ASSETS - CURRENT	\$26,881,697	\$24,890,406	\$18,649,096
ASSETS - FIXED AND OTHER	88,459,412	91,494,225	77,826,203
LIABILITIES - CURRENT	8,223,695	7,004,552	5,606,921
LIABILITIES - LONG-TERM	<u>128,350,357</u>	<u>128,630,404</u>	<u>109,962,383</u>
EQUITY	(\$21,232,943)	(\$19,250,325)	(\$19,094,005)
<hr/>			
INCOME	\$21,768,463	\$18,813,845	\$18,079,756
EXPENSE	<u>23,502,105</u>	<u>19,233,088</u>	<u>17,668,539</u>
NET INCOME	(\$1,733,642)	(\$419,243)	\$411,217
<hr/>			
NUMBER OF BEDS-SNF	48	48	48
SNF PERCENT OF OCCUPANCY (DAYS)	96.21%	98.85%	98.72%
<hr/>			
SNF PERCENT OCCUPANCY (DAYS):			
MEDICAID	2.23%	6.17%	9.39%
MEDICARE	2.00%	5.58%	6.59%
BC AND INSURANCE	3.60%	1.48%	0.02%
PRIVATE/OTHER	92.17%	86.77%	84.00%
<hr/>			
Average Working Capital	\$16,528,677		
Average Net Assets	(\$19,859,091)		
Average Net Income (Loss)	(\$580,556)		
SNF-Average Occupancy	98%		

EPISCOPAL CHURCH HOME & AFFILIATES
LIFE CARE COMMUNITY, INC.
d/b/a CANTERBURY WOODS

Project#191132
BFA Attachment-A
cont

BALANCE SHEETS
December 31,

	<u>2018</u>	<u>2017</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 21,259,472	\$ 20,075,454
Accounts receivable - net of allowance for doubtful accounts of \$38,000 and \$47,000 as of December 31, 2018 and 2017, respectively	871,136	1,059,691
Prepaid expenses and other current assets	3,024,348	3,443,519
Amount due from related parties, net	130,776	250,691
Current portion of assets whose use is limited	1,595,965	61,051
Total current assets	<u>26,881,697</u>	<u>24,890,406</u>
Assets whose use is limited, net	16,200,173	15,981,308
PROPERTY AND EQUIPMENT		
Property and equipment, net of accumulated depreciation	69,030,044	72,100,095
Deferred marketing costs, net	1,671,939	1,743,813
Beneficial interest in net assets of Foundation	<u>1,557,256</u>	<u>1,669,009</u>
TOTAL ASSETS	<u>\$ 115,341,109</u>	<u>\$ 116,384,631</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and other accrued expenses	\$ 1,537,816	\$ 1,190,106
Gates Circle construction loan accounts payable	100,000	2,330,986
Refundable entrance fees	3,574,762	2,239,930
Interest payable	108,014	113,428
Due to third party payors	9,900	9,900
Deposits on unoccupied units	595,604	954,357
Serial bonds payable - current portion	1,760,000	-
Gates Circle Loan - current portion	537,599	165,845
Total current liabilities	<u>8,223,695</u>	<u>7,004,552</u>
OTHER LIABILITIES		
Serial bonds payable - due after one year	273,375	2,023,454
Gates Circle construction loan, net of deferred financing fees of \$296,448 and \$519,524 at December 31, 2018 and 2017 respectively	15,249,135	23,442,613
Refundable entrance fees	94,508,564	88,060,391
Deferred entrance fee revenue	18,319,283	15,103,946
Total non-current liabilities	<u>128,350,357</u>	<u>128,630,404</u>
TOTAL LIABILITIES	<u>136,574,052</u>	<u>135,634,956</u>
NET ASSETS		
Without donor restrictions	(22,849,856)	(20,978,991)
With donor restrictions	1,616,913	1,728,666
Total net assets	<u>(21,232,943)</u>	<u>(19,250,325)</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 115,341,109</u>	<u>\$ 116,384,631</u>

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSET DEFICIENCY
Years Ended December 31,

	<u>2018</u>	<u>2017</u>
Revenue:		
Resident service revenue	\$ 17,950,045	\$ 15,970,173
Earned entrance fees	3,092,577	2,378,802
Other operating revenue	361,524	321,737
Investment income	326,472	116,878
Net assets released - operations	37,845	26,255
Total revenue	<u>21,768,463</u>	<u>18,813,845</u>
Expenses:		
Salaries and wages	7,867,208	7,114,297
Employee benefits	2,646,296	2,475,862
Contract labor	185,809	59,640
Supplies and other	2,163,934	1,947,737
Purchased and contracted services	1,871,471	1,308,047
Utilities and rentals	789,984	618,279
Other operating expenses	1,564,272	1,547,650
Interest	855,541	349,726
Depreciation and amortization	5,557,590	3,682,765
Gates pre-opening expenses	-	129,085
Total expenses	<u>23,502,105</u>	<u>19,233,088</u>
Loss from operations	(1,733,642)	(419,243)
Non-operating gains (losses):		
Loss on disposal of fixed assets	-	(137,407)
Unrealized losses on investments	(25,224)	(45,721)
Loss on extinguishment of debt	(165,691)	(87,178)
Other gains/(losses)	72,210	-
Grant from Foundation	-	200,000
Retroactive workers' compensation adjustment	(18,518)	-
Total non-operating losses	<u>(137,223)</u>	<u>(70,306)</u>
Change in net assets without donor restrictions	(1,870,865)	(489,549)
Change in net assets with donor restrictions:		
Change in interest in Foundation	(73,908)	359,484
Net assets released from restrictions	(37,845)	(26,255)
Change in net assets with donor restrictions	<u>(111,753)</u>	<u>333,229</u>
Change in net assets	(1,982,618)	(156,320)
Net asset deficiency - beginning of year	(19,250,325)	(19,094,005)
Net asset deficiency - end of year	\$ (21,232,943)	\$ (19,250,325)

EPISCOPAL CHURCH HOME & AFFILIATES
LIFE CARE COMMUNITY, INC.
d/b/a CANTERBURY WOODS

Project#191132
BFA Attachment-A Cont

STATEMENTS OF CASH FLOWS
Years Ended December 31,

	2018	2017
Cash flows from operating activities:		
Change in net asset deficiency	\$ (1,982,618)	\$ (156,320)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	5,557,590	3,682,765
Amortization of deferred financing fees	67,306	29,787
Change in allowance for doubtful accounts	(9,000)	27,000
Amortization of deferred revenue from entrance fees	(3,092,577)	(2,378,802)
Unrealized loss on investments	25,224	45,721
(Gain) / loss on disposal of fixed assets	(490)	137,407
Loss on extinguishment of debt	165,691	87,178
Net change in beneficial interest in net assets of Foundation	111,753	(333,229)
Grant from Foundation	-	(200,000)
(Increase) / decrease in:		
Accounts receivable	197,555	(314,379)
Prepaid expenses and other current assets, net	108,401	(50,472)
Amount due from related parties, net	119,915	(218,194)
Accrued income on assets whose use is limited	(9,569)	2,751
Increase / (decrease) in:		
Accounts payable and other accrued expenses, net	347,710	(28,194)
Interest payable	(5,414)	62,553
Workers' compensation liability	-	(474,622)
Due to third party payors	-	(7,349)
Receipt of non-refundable entrance fees and deposits	6,255,131	6,740,799
Net cash provided by operating activities	7,856,608	6,654,400
Cash flows from investing activities:		
Net decrease/(increase) in assets whose use is limited	(1,769,434)	1,485,491
Acquisitions of property, plant, and equipment	(4,507,661)	(21,194,803)
Capitalized marketing costs	(138,500)	(299,573)
Net cash used by investing activities	(6,415,595)	(20,008,885)
Cash flows from financing activities:		
Receipt of entrance fees and deposits	18,375,821	15,438,576
Refund of entrance fees and deposits, net	(10,588,016)	(9,287,336)
Proceeds from construction loan borrowings	-	14,715,756
Payment of debt	(8,044,800)	(4,000,000)
Net cash provided by/(used by) financing activities	(256,995)	16,866,996
Net (decrease) / increase in cash and cash equivalents	1,184,018	3,512,511
Cash and cash equivalents at beginning of year	20,075,454	16,562,943
Cash and cash equivalents at end of year	\$ 21,259,472	\$ 20,075,454
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 793,649	\$ 257,386
Property, plant, and equipment purchases in accounts payable at end of year	\$ 100,000	\$ 2,557,439

**EPISCOPAL CHURCH HOME & AFFILIATES
LIFE CARE COMMUNITY, INC.
d/b/a CANTERBURY WOODS
UNAUDITED BALANCE SHEETS - DECMEBER 31,**

	Projected 2019	Projected 2020 (Year 1)	Projected 2022 (Year 3)
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 18,810,975	\$ 21,735,134	\$ 36,765,526
Short term investments	-	16,700,173	17,625,173
Accounts receivable - net of allowance	921,136	921,136	921,136
Prepaid expenses and other current assets	621,734	621,734	621,734
Amount due from related parties, net	130,776	130,776	130,776
Current portion of assets whose use is limited	281,875	-	-
Total current assets	20,766,496	40,108,953	56,064,345
OTHER ASSETS			
Assets whose use is limited, net	16,400,173	-	-
PROPERTY, PLANT, AND EQUIPMENT			
Property, plant, and equipment - excluding CIP	136,137,715	138,296,647	142,810,756
Less: Accumulated Depreciation	(70,137,111)	(75,843,829)	(87,817,644)
Subtotal	66,000,604	62,452,818	54,993,112
Construction in progress	-	-	-
Property, plant, and equipment, net of acc. dep.	66,000,604	62,452,818	54,993,112
Deferred marketing costs, net	1,457,498	1,240,978	807,938
Beneficial interest in net assets of Foundation	1,533,256	1,533,256	1,533,256
TOTAL ASSETS	\$ 106,158,027	\$ 105,336,005	\$ 113,398,651

**EPISCOPAL CHURCH HOME & AFFILIATES
LIFE CARE COMMUNITY, INC.
d/b/a CANTERBURY WOODS
UNAUDITED BALANCE SHEETS - DECMEBER 31,**

	Projected 2019	Projected 2020 (Year 1)	Projected 2022 (Year 3)
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts payable and other accrued expenses	\$ 1,519,297	\$ 1,519,297	\$ 1,519,297
Gates circle construction AP	-	-	-
Refundable entrance fees	2,354,802	2,354,802	2,354,802
Interest payable	24,613	-	-
Due to third party payors	9,900	9,900	9,900
Deposits on unoccupied units	595,604	595,604	595,604
Serial bonds payable - due within one year	275,000	-	-
Construction loan payable - due within one year	537,599	-	-
Total current liabilities	<u>5,316,815</u>	<u>4,479,603</u>	<u>4,479,603</u>
OTHER LIABILITIES			
Serial bonds payable - due after one year	-	-	-
Construction loan payable - due after one year	3,654,567	-	-
Refundable entrance fees	97,872,022	99,776,016	104,145,234
Deferred entrance fee revenue	21,539,014	22,709,580	24,095,465
Total non-current liabilities	<u>123,065,603</u>	<u>122,485,596</u>	<u>128,240,699</u>
TOTAL LIABILITIES	128,382,418	126,965,199	132,720,302
NET ASSETS			
Unrestricted net assets	(23,817,305)	(23,222,108)	(20,914,565)
Temporarily restricted net assets	1,592,914	1,592,914	1,592,914
Total net assets	<u>(22,224,391)</u>	<u>(21,629,194)</u>	<u>(19,321,651)</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 106,158,027</u>	<u>\$ 105,336,005</u>	<u>\$ 113,398,651</u>

181193 B
Northern New York ASC, LLC d/b/a
Northern New York Center for Surgery

To Be Distributed Under Separate Cover

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidated Balance Sheet

December 31, 2017

(In thousands)

Assets	<u>2017</u>
Current assets:	
Cash and cash equivalents	\$ 182,278
Investments	600,885
Assets limited or restricted as to use	24,674
Patient accounts receivable, less allowance for uncollectible accounts of \$50,505 in 2017	287,519
Contributions receivable, net	4,625
Other receivables	35,571
Inventories	31,241
Prepaid expenses and other	<u>22,963</u>
Total current assets	<u>1,189,756</u>
Assets limited or restricted as to use:	
Board designated and other	66,480
Donor-restricted funds	48,939
Funded depreciation	358,576
Trustee held and other agreements	133,936
Captive assets	<u>102,874</u>
Total assets limited or restricted as to use	710,805
Less assets limited or restricted as to use and required for current liabilities	<u>24,674</u>
Total assets limited or restricted as to use, net	686,131
Contributions receivable, net of current portion	7,974
Other assets, net	29,727
Insurance claims receivable	168,274
Property, plant, and equipment, net	<u>813,061</u>
Total assets	<u>\$ 2,894,923</u>

Liabilities and Net Assets	<u>2017</u>
Current liabilities:	
Current portion of long-term debt	\$ 35,622
Accounts payable and accrued expenses	209,809
Accrued salaries, related withholdings, and benefits	164,446
Current portion of other self-insured liabilities	31,379
Current portion of estimated third-party payor liabilities	55,377
Other liabilities	<u>28,174</u>
Total current liabilities	524,807
Long-term debt, net of current portion	432,863
Estimated third-party payor liabilities, net of current portion	32,095
Other self-insured liabilities, net of current portion	117,633
Estimated malpractice liabilities	275,633
Other long-term liabilities	<u>64,768</u>
Total liabilities	<u>1,447,799</u>
Net assets:	
Unrestricted:	
Catholic Health Services of Long Island	1,384,034
Noncontrolling interests	<u>1,543</u>
Total unrestricted	1,385,577
Temporarily restricted	57,459
Permanently restricted	<u>4,088</u>
Total net assets	1,447,124
Commitments and contingencies	
Total liabilities and net assets	<u>\$ <u>2,894,923</u></u>

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidated Statements of Operations

Year ended December 31, 2017

(In thousands)

	<u>2017</u>
Unrestricted revenues, gains, and other support:	
Net patient services revenue before bad debts	\$ 2,473,332
Provision for bad debts, net	<u>(25,899)</u>
Net patient services revenue	2,447,433
Investment income, net	60,836
Contributions, net	6,073
Other revenue	137,593
Net assets released from restrictions used for operations	<u>1,637</u>
Total revenues, gains, and other support	<u>2,653,572</u>
Expenses:	
Salaries	1,320,975
Employee benefits	388,704
Supplies and other expenses	693,054
Insurance	57,679
Depreciation and amortization	101,690
Interest	<u>19,507</u>
Total expenses	<u>2,581,609</u>
Operating income before nonoperating gains (losses)	71,963
Nonoperating gains (losses):	
Net unrealized gains on investments	47,483
Other nonoperating gains, net	—
Income attributable to noncontrolling interests	<u>(1,191)</u>
Excess of revenues, gains, and other support over expenses	118,255
Other changes in unrestricted net assets:	
Postretirement benefit plan changes other than net periodic benefit cost	710
Net assets released from restrictions used for purchases of property, plant, and equipment	7,431
Grant income for purchases of property, plant, and equipment	<u>167</u>
Increase in unrestricted net assets	<u>\$ 126,563</u>

Catholic Health Services of Long Island

Consolidated Balance Sheets
(In Thousands)

	<u>December 31</u> <u>2018</u>
Assets	
Current assets:	
Cash and cash equivalents	\$ 170,722
Investments	556,199
Assets limited or restricted as to use	35,130
Patient accounts receivable, net	312,384
Contributions receivable, net	5,579
Other receivables	29,720
Inventories	33,701
Prepaid expenses and other	28,898
Total current assets	<u>1,172,333</u>
Assets limited or restricted as to use:	
Board designated and other	61,682
Donor-restricted funds	52,216
Funded depreciation	333,709
Trustee held and other agreements	128,694
Captive assets	115,944
Total assets limited or restricted as to use	<u>692,245</u>
Less assets limited or restricted as to use and required for current liabilities	<u>35,130</u>
Total assets limited or restricted as to use, net	<u>657,115</u>
Contributions receivable, net of current portion	6,197
Other assets, net	32,080
Insurance claims receivable	190,825
Property, plant, and equipment, net	857,916
Total assets	<u><u>\$ 2,916,466</u></u>

	December 31 2018
Liabilities and net assets	
Current liabilities:	
Current portion of long-term debt	\$ 35,833
Accounts payable and accrued expenses	226,048
Accrued salaries, related withholdings, and benefits	176,081
Current portion of other self-insured liabilities	31,804
Current portion of estimated third-party payor liabilities	54,883
Other liabilities	39,579
Total current liabilities	<u>564,228</u>
Long-term debt, net of current portion	398,504
Estimated third-party payor liabilities, net of current portion	29,774
Other self-insured liabilities, net of current portion	111,106
Estimated malpractice liabilities	309,184
Other long-term liabilities	52,007
Total liabilities	<u>1,464,803</u>
Commitments and contingencies	
Net assets:	
Net assets without donor restrictions:	
Catholic Health Services of Long Island	1,385,901
Noncontrolling interests	1,770
Total net assets without donor restrictions	<u>1,387,671</u>
Net assets with donor restrictions	63,992
Total net assets	<u>1,451,663</u>
Total liabilities and net assets	<u><u>\$ 2,916,466</u></u>

Catholic Health Services of Long Island

Consolidated Statements of Operations
(In Thousands)

	Year Ended December 31 2018
Revenues, gains, and other support:	
Net patient services revenue	\$ 2,597,570
Provision for bad debts, net	—
Net patient services revenue, less provision for bad debts	<u>2,597,570</u>
Investment income, net	60,351
Contributions, net	5,070
Other revenue	162,238
Net assets released from restrictions used for operations	<u>1,770</u>
Total revenues, gains, and other support	<u>2,826,999</u>
Expenses:	
Salaries	1,399,451
Employee benefits	433,567
Supplies and other expenses	735,375
Insurance	50,333
Depreciation and amortization	107,634
Interest	<u>18,902</u>
Total expenses	<u>2,745,262</u>
Operating income	81,737
Nonoperating gains (losses):	
Net unrealized (losses) gains on investments	<u>(101,418)</u>
(Deficiency) excess of revenues, gains, and other support over expenses before noncontrolling interests	(19,681)
Income attributable to noncontrolling interests	<u>(1,405)</u>
(Deficiency) excess of revenues, gains, and other support over expenses	(21,086)
Other changes in net assets without donor restrictions:	
Postretirement benefit plan changes other than net periodic benefit cost	11,996
Net assets released from restrictions for purchases of property, plant, and equipment	1,992
Grant income for purchases of property, plant, and equipment	<u>8,965</u>
Increase in net assets without donor restrictions	<u>\$ 1,867</u>

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidating Schedule – Balance Sheet

December 31, 2017

(In thousands)

Assets	Good Samaritan Hospital	St. Francis Hospital	Mercy Medical Center	St. Charles Hospital	St. Catherine Medical Center & Subsidiaries	Subtotal	Consolidating and eliminating entries	Obligated Group subtotal	St. Joseph Hospital	CHSLI	CHS Services	RVC Insurance Company, Inc.
Current assets:												
Cash and cash equivalents	\$ 16,610	14,492	2,685	4,604	7,303	45,694	—	45,694	1,114	32,405	54,278	16,250
Investments	93,598	331,565	4,698	601	—	430,462	—	430,462	—	55,042	—	86,624
Assets limited or restricted as to use	—	1,712	938	—	—	2,650	—	2,650	—	22,024	—	—
Patient accounts receivable, net	77,811	102,089	26,160	22,940	26,991	255,991	—	255,991	13,564	—	—	—
Contributions receivable, net	—	—	—	—	20	20	—	20	—	—	—	—
Other receivables	5,619	14,840	2,321	1,006	1,126	24,912	—	24,912	32	—	1,685	—
Inventories	7,116	11,475	2,831	3,872	3,660	28,954	—	28,954	1,801	—	—	—
Prepaid expenses and other	6,033	7,647	2,266	1,784	2,815	20,545	—	20,545	635	46	3,952	3,262
Due from related parties	8,305	34,290	5,627	14,110	1,391	63,723	(24,801)	38,922	261	23,044	21,780	63,507
Total current assets	215,092	518,110	47,526	48,917	43,306	872,951	(24,801)	848,150	17,407	132,561	81,695	169,643
Assets limited or restricted as to use:												
Board designated and other	35,352	6,076	1,752	—	—	43,180	—	43,180	—	4,728	—	—
Donor-restricted funds	4,847	2,799	2,083	2,748	1,098	13,575	—	13,575	148	223	—	—
Funded depreciation	9,550	342,535	—	—	5,051	357,136	—	357,136	—	—	—	—
Trustee held and other	12,156	6,626	4,770	640	41,714	65,906	—	65,906	202	65,591	2,042	—
Captive assets	—	—	—	—	—	—	—	—	—	—	—	—
Total assets limited or restricted as to use	61,905	358,036	8,605	3,388	47,863	479,797	—	479,797	350	70,542	2,042	—
Less assets limited or restricted as to use and required for current liabilities	—	1,712	938	—	—	2,650	—	2,650	—	22,024	—	—
Total assets limited or restricted as to use, net	61,905	356,324	7,667	3,388	47,863	477,147	—	477,147	350	48,518	2,042	—
Due from related parties, net of current portion	32,969	35,845	9,372	9,362	—	87,548	(4,081)	83,467	—	22,082	45,465	—
Contributions receivable, net of current portion	—	—	—	8	—	8	—	8	—	—	—	—
Other investments, at cost	—	—	—	—	—	—	—	—	—	2,250	—	—
Other assets, net	997	13,837	—	112	50	14,996	—	14,996	90	10,488	—	—
Insurance claims receivable	86,814	53,286	54,690	27,710	28,705	251,205	—	251,205	17,644	—	—	10,384
Property, plant, and equipment, net	177,726	267,901	102,811	52,819	75,369	676,426	—	676,426	34,125	54	59,261	—
Total assets	\$ 575,503	1,245,303	222,066	142,116	195,293	2,380,261	(28,882)	2,351,399	69,616	215,953	188,463	180,027

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidating Schedule – Balance Sheet

December 31, 2017

(In thousands)

Liabilities and Net Assets	Good Samaritan Hospital	St. Francis Hospital	Mercy Medical Center	St. Charles Hospital	St. Catherine Medical Center & Subsidiaries	Subtotal	Consolidating and eliminating entries	Obligated Group Subtotal	St. Joseph Hospital	CHSLI	CHS Services	RVC Insurance Company, Inc.
Current liabilities:												
Current portion of long-term debt	\$ 1,043	3,831	1,980	1,583	3,323	11,760	—	11,760	950	6,442	15,507	—
Accounts payable and accrued expenses	44,362	61,030	14,858	13,830	13,777	147,857	—	147,857	8,605	12,706	34,173	905
Accrued salaries, related withholdings, and benefits	35,242	54,863	8,015	17,838	16,261	132,219	—	132,219	5,304	3,140	11,768	—
Current portion of other self-insured liabilities	9,256	6,750	2,160	3,651	4,797	26,614	—	26,614	457	—	1,420	—
Current portion of estimated third-party payor liabilities	14,540	19,081	5,398	6,045	6,653	51,717	—	51,717	1,759	—	—	—
Due to related parties	19,924	12,560	13,516	7,793	22,746	76,539	(35,121)	41,418	3,993	9,628	35,934	23,551
Other liabilities	—	—	—	—	—	—	—	—	—	26,419	—	—
Total current liabilities	124,367	158,115	45,927	50,740	67,557	446,706	(35,121)	411,585	21,068	58,335	98,802	24,456
Long-term debt, net of current portion	68,684	162,515	45,780	53,388	57,824	388,191	—	388,191	11,479	17,485	—	—
Estimated third-party payor liabilities, net of current portion	6,943	7,389	1,147	2,404	13,346	31,229	—	31,229	866	—	—	—
Other self-insured liabilities, net of current portion	35,208	22,311	13,387	13,619	17,816	102,341	—	102,341	1,904	—	—	5,284
Estimated malpractice liabilities	92,527	49,205	57,238	26,137	29,420	254,527	—	254,527	21,483	—	—	115,212
Other long-term liabilities	10,729	17,283	1,620	1,636	2,554	33,822	—	33,822	202	22,052	4,593	—
Due to related parties, net of current portion	—	—	21,235	15,296	22,892	59,423	(8,822)	50,601	11,700	82,536	—	—
Total liabilities	338,458	416,818	186,334	163,220	211,409	1,316,239	(43,943)	1,272,296	68,702	180,408	103,395	144,952
Net assets (deficit):												
Unrestricted:												
Attributable to CHS	230,833	825,686	33,649	(23,860)	(17,234)	1,049,074	15,061	1,064,135	766	35,322	85,068	32,825
Attributable to noncontrolling interests	1,365	—	—	—	—	1,365	—	1,365	—	—	—	—
Total unrestricted	232,198	825,686	33,649	(23,860)	(17,234)	1,050,439	15,061	1,065,500	766	35,322	85,068	32,825
Temporarily restricted	4,847	2,799	2,083	1,980	1,118	12,827	—	12,827	148	223	—	—
Permanently restricted	—	—	—	776	—	776	—	776	—	—	—	—
Capital stock and paid-in capital	—	—	—	—	—	—	—	—	—	—	—	2,250
Total net assets (deficit)	237,045	828,485	35,732	(21,104)	(16,116)	1,064,042	15,061	1,079,103	914	35,545	85,068	35,075
Commitments and contingencies												
Total liabilities and net assets (deficit)	\$ 575,503	1,245,303	222,066	142,116	195,293	2,380,281	(28,882)	2,351,399	69,616	215,953	188,463	180,027

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidating Schedule – Statement of Operations

Year ended December 31, 2017

(In thousands)

	Good Samaritan Hospital	St. Francis Hospital	Mercy Medical Center	St. Charles Hospital	St. Catherine Medical Center & Subsidiaries	Subtotal	Consolidating and eliminating entries	Obligated Group Subtotal	St. Joseph Hospital	CHSLI	CHS Services	RVC Insurance Company, Inc.
Unrestricted revenues, gains, and other support:												
Net patient service revenues before bad debts	\$ 653,251	858,079	223,886	213,413	247,770	2,196,399	—	2,196,399	115,169	—	—	—
Provision for bad debts, net	(7,638)	(3,984)	(5,595)	(3,019)	(4,117)	(24,353)	—	(24,353)	(226)	—	—	—
Net patient services revenue	645,613	854,095	218,291	210,394	243,653	2,172,046	—	2,172,046	114,943	—	—	—
Investment income, net	3,019	48,087	219	88	637	52,050	—	52,050	44	1,337	—	1,680
Contributions, net	305	2	97	119	26	549	—	549	6	—	9	—
Other revenue	55,219	60,776	8,704	5,072	4,017	133,788	(96,742)	37,046	1,251	40,830	159,491	27,648
Net assets released from restrictions used for operations	106	237	13	165	104	625	—	625	—	311	—	—
Total revenues, gains, and other support	704,262	963,197	227,324	215,838	248,437	2,359,058	(96,742)	2,262,316	116,244	42,478	159,500	29,328
Expenses:												
Salaries	310,589	411,681	98,600	90,699	112,332	1,023,901	—	1,023,901	49,474	9,388	92,258	—
Employee benefits	95,615	91,155	29,181	26,777	39,072	281,800	—	281,800	20,913	2,677	28,581	—
Supplies and other expenses	183,729	270,662	58,106	67,040	67,559	647,096	(95,967)	551,129	35,012	24,390	37,657	1,137
Insurance	14,628	14,377	10,646	4,418	5,015	49,084	—	49,084	4,047	18	232	29,052
Depreciation and amortization	23,367	28,471	9,013	6,881	6,960	74,692	—	74,692	3,660	12	18,036	—
Interest	486	4,246	882	1,629	3,538	10,781	—	10,781	283	7,544	458	—
CHS Services, Inc.	44,219	48,269	19,712	16,889	17,480	146,569	—	146,569	9,189	—	—	—
CHS corporate office allocation	7,813	8,162	3,170	2,913	3,099	25,157	—	25,157	1,457	—	—	—
Total expenses	680,446	877,023	229,310	217,246	255,055	2,259,080	(95,967)	2,163,113	124,035	44,029	177,222	30,189
Operating income (loss) before nonoperating gains (losses)	23,816	86,174	(1,986)	(1,408)	(6,618)	99,978	(775)	99,203	(7,791)	(1,551)	(17,722)	(861)
Nonoperating gains (losses):												
Change in unrealized gains (losses) on trading investments, net	9,810	20,514	112	63	(88)	30,411	—	30,411	—	3,075	—	2,666
Other nonoperating gains, net	—	—	—	—	—	—	—	—	—	—	—	—
Income attributable to noncontrolling interests	(1,517)	—	—	—	—	(1,517)	—	(1,517)	—	—	—	—
Excess (deficiency) of revenues, gains, and other support over expenses	32,109	106,688	(1,874)	(1,345)	(6,706)	128,872	(775)	128,097	(7,791)	1,524	(17,722)	1,805
Other changes in benefit plan unrestricted net assets:												
Postretirement changes other than net periodic benefit cost	351	39	55	96	169	710	—	710	—	—	—	—
Net assets released from restrictions for purchase of property, plant, and equipment	712	2	784	—	145	1,643	—	1,643	482	—	—	—
Grant income for purchases of property, plant, and equipment	8	47	3	20	—	78	—	78	62	—	—	—
Transfer (to) from Catholic Health Services of Long Island	(2,089)	(2,177)	6,690	2,258	14,170	18,852	—	18,852	4,609	(32,370)	(5,000)	—
Transfer (to) from CHS Services, Inc.	(12,488)	(13,842)	(4,370)	(3,989)	(4,286)	(38,975)	—	(38,975)	(2,318)	5,000	41,350	—
Transfers (to) from related parties	—	5,760	—	—	—	5,760	—	5,760	—	—	—	—
Increase (decrease) in unrestricted net assets	\$ 18,603	96,517	1,288	(2,960)	3,492	116,940	(775)	116,165	(4,956)	(25,846)	18,628	1,805

Catholic Health Services of Long Island

Consolidating Balance Sheet
(In Thousands)

December 31, 2018

	Good Samaritan Hospital	St. Francis Hospital	Mercy Medical Center	St. Charles Hospital	St. Catherine Medical Center & Subsidiaries	Subtotal	Consolidating and Eliminating Entries	Obligated Group Subtotal	St. Joseph Hospital	CHSLI	CHS Services	RVC Insurance Company, Inc.
Assets												
Current assets:												
Cash and cash equivalents	\$ 14,369	\$ 31,443	\$ 2,294	\$ 3,289	\$ 7,142	\$ 58,537	\$ -	\$ 58,537	\$ 4,556	\$ 39,896	\$ 13,844	\$ 16,019
Investments	79,679	340,422	-	575	-	420,676	-	420,676	-	24,197	-	99,925
Assets limited or restricted as to use	-	1,657	975	-	-	2,632	-	2,632	-	32,498	-	-
Patient accounts receivable, net	82,675	111,040	26,064	28,322	33,568	281,669	-	281,669	13,294	-	-	-
Contributions receivable, net	112	-	-	-	5	117	-	117	-	-	-	-
Other receivables	4,033	9,626	2,879	975	944	18,457	-	18,457	56	-	104	-
Inventories	7,502	12,342	3,167	4,036	4,055	31,102	-	31,102	2,178	-	-	-
Prepaid expenses and other	7,260	8,207	2,595	1,848	2,635	22,545	-	22,545	1,439	196	7,068	3,378
Due from related parties	7,405	44,931	8,284	3,018	2,603	66,241	(45,920)	20,321	417	9,065	40,703	64,847
Total current assets	203,035	559,668	46,258	42,063	50,952	901,976	(45,920)	856,056	21,940	105,852	61,719	184,169
Assets limited or restricted as to use:												
Board designated and other	35,906	5,899	804	-	-	42,609	-	42,609	-	-	-	-
Donor-restricted funds	5,373	2,717	2,396	3,087	1,366	14,939	-	14,939	232	185	-	-
Funded depreciation	9,550	317,645	-	-	5,072	332,267	-	332,267	-	-	-	-
Trustee held and other agreements	12,045	6,571	4,911	711	33,942	58,180	-	58,180	177	68,221	1,906	-
Captive assets	-	-	-	-	-	-	-	-	-	-	-	-
Total assets limited or restricted as to use	62,874	332,832	8,111	3,798	40,380	447,995	-	447,995	409	68,406	1,906	-
Less assets limited or restricted as to use and required for current liabilities	-	1,657	975	-	-	2,632	-	2,632	-	32,498	-	-
Total assets limited or restricted as to use, net	62,874	331,175	7,136	3,798	40,380	445,363	-	445,363	409	35,908	1,906	-
Due from related parties, net of current portion	30,599	34,159	8,047	8,788	4,019	85,612	(4,081)	81,531	-	7,886	45,161	-
Contributions receivable, net of current portion	229	-	-	8	-	237	-	237	-	-	-	-
Other investments, at cost	-	-	-	-	-	-	-	-	-	2,250	-	-
Other assets, net	773	13,843	-	113	31	14,760	-	14,760	90	12,387	-	-
Insurance claims receivable	101,045	60,034	57,660	32,143	30,290	281,172	-	281,172	14,398	-	-	15,816
Property, plant, and equipment, net	195,821	266,653	106,120	54,469	80,839	703,902	-	703,902	34,139	43	74,911	-
Total assets	\$ 594,376	\$ 1,265,532	\$ 225,221	\$ 141,382	\$ 206,511	\$ 2,433,022	\$ (50,001)	\$ 2,383,021	\$ 70,976	\$ 164,326	\$ 183,697	\$ 199,985

Catholic Health Services of Long Island

Consolidating Balance Sheet (continued)
(In Thousands)

December 31, 2018

	Good Samaritan Hospital	St. Francis Hospital	Mercy Medical Center	St. Charles Hospital	St. Catherine Medical Center & Subsidiaries	Subtotal	Consolidating and Eliminating Entries	Obligated Group Subtotal	St. Joseph Hospital	CHSLI	CHS Services	RVC Insurance Company, Inc.
Liabilities and net assets (deficit)												
Current liabilities:												
Current portion of long-term debt	\$ 1,293	\$ 5,640	\$ 2,128	\$ 4,045	\$ 8,492	\$ 21,598	\$ -	\$ 21,598	\$ 950	\$ 11,341	\$ -	\$ -
Accounts payable and accrued expenses	52,744	61,677	16,832	14,568	17,855	163,676	-	163,676	8,505	12,944	33,312	947
Accrued salaries, related withholdings, and benefits	35,054	62,784	8,785	16,562	17,890	141,075	-	141,075	5,068	2,958	13,131	-
Current portion of other self-insured liabilities	8,980	6,741	2,938	3,444	4,658	26,761	-	26,761	305	-	1,469	-
Current portion of estimated third-party payor liabilities	18,181	15,806	6,570	6,286	5,802	52,645	-	52,645	2,120	-	-	-
Due to related parties	22,555	7,728	18,576	20,156	17,213	86,228	(46,458)	39,770	7,087	13,430	33,075	24,942
Other liabilities	-	-	-	-	-	-	-	-	-	36,256	-	-
Total current liabilities	138,807	160,376	55,829	65,061	71,910	491,983	(46,458)	445,525	24,035	76,929	80,987	25,889
Long-term debt, net of current portion	65,028	154,667	42,357	48,551	49,390	359,993	-	359,993	10,529	11,249	-	-
Estimated third-party payor liabilities, net of current portion	6,369	6,511	929	2,055	13,247	29,111	-	29,111	663	-	-	-
Other self-insured liabilities, net of current portion	35,879	18,935	11,519	11,948	17,550	95,831	-	95,831	2,630	-	-	5,895
Estimated malpractice liabilities	107,667	57,816	61,150	31,138	31,717	289,488	-	289,488	18,264	-	-	126,465
Other long-term liabilities	7,940	12,649	500	857	882	22,828	-	22,828	177	23,532	4,217	-
Due to related parties, net of current portion	-	-	21,235	8,752	18,631	48,618	(8,822)	39,796	11,700	76,580	-	-
Total liabilities	361,690	410,954	193,519	168,362	203,327	1,337,852	(55,280)	1,282,572	67,998	188,290	85,204	158,249
Commitments and contingencies												
Net assets (deficit):												
Net assets without donor restrictions:												
Attributable to CHS	225,369	851,861	29,306	(30,075)	1,813	1,078,274	5,279	1,083,553	2,746	(24,149)	98,493	39,486
Attributable to noncontrolling interests	1,603	-	-	-	-	1,603	-	1,603	-	-	-	-
Total net assets without donor restrictions	226,972	851,861	29,306	(30,075)	1,813	1,079,877	5,279	1,085,156	2,746	(24,149)	98,493	39,486
Net assets with donor restrictions	5,714	2,717	2,396	3,095	1,371	15,293	-	15,293	232	185	-	-
Capital stock and paid-in capital	-	-	-	-	-	-	-	-	-	-	-	2,250
Total net assets (deficit)	232,686	854,578	31,702	(26,980)	3,184	1,095,170	5,279	1,100,449	2,978	(23,964)	98,493	41,736
Total liabilities and net assets (deficit)	\$ 594,376	\$ 1,265,532	\$ 225,221	\$ 141,382	\$ 206,511	\$ 2,433,022	\$ (50,001)	\$ 2,383,021	\$ 70,976	\$ 164,326	\$ 183,697	\$ 199,985

Catholic Health Services of Long Island

Consolidating Statement of Operations (In Thousands)

Year Ended December 31, 2018

	Good Samaritan Hospital	St. Francis Hospital	Mercy Medical Center	St. Charles Hospital	St. Catherine Medical Center & Subsidiaries	Subtotal	Consolidating and Eliminating Entries	Obligated Group Subtotal	St. Joseph Hospital	CHSLI	CHS Services	RVC Insurance Company, Inc.
Revenues, gains, and other support:												
Net patient services revenue	\$ 692,488	\$ 920,142	\$ 218,690	\$ 225,563	\$ 254,551	\$ 2,311,434	\$ -	\$ 2,311,434	\$ 117,139	\$ -	\$ -	\$ -
Investment income, net	4,120	37,783	218	68	930	43,119	-	43,119	56	3,189	-	2,177
Contributions, net	420	6	104	197	29	756	-	756	23	-	5	-
Other revenue	55,754	67,763	14,846	7,581	15,344	161,288	(113,314)	47,974	908	50,856	181,453	28,480
Net assets released from restrictions used for operations	103	38	38	146	23	348	-	348	13	210	-	-
Total revenues, gains, and other support	752,885	1,025,732	233,896	233,555	270,877	2,516,945	(113,314)	2,403,631	118,139	54,255	181,458	30,657
Expenses:												
Salaries	328,612	438,117	98,994	95,458	117,593	1,078,774	-	1,078,774	50,728	15,552	98,102	-
Employee benefits	102,481	99,539	33,903	29,778	43,837	309,538	-	309,538	20,442	5,643	12,357	-
Supplies and other expenses	207,885	279,415	64,989	71,625	66,997	690,911	(103,532)	587,379	38,454	19,359	50,535	1,226
Insurance	16,893	15,949	9,804	4,691	5,924	53,261	-	53,261	3,799	17	296	18,757
Depreciation and amortization	24,725	29,661	9,356	6,518	7,111	77,371	-	77,371	4,003	99	20,567	-
Interest	433	4,074	1,281	1,562	3,259	10,609	-	10,609	372	7,304	153	-
CHS Services, Inc.	48,747	52,798	21,938	23,171	20,510	167,164	-	167,164	10,419	-	-	-
CHS corporate office allocation	8,030	8,399	3,222	2,958	3,137	25,746	-	25,746	1,498	-	-	-
Total expenses	737,806	927,952	243,487	235,761	268,368	2,413,374	(103,532)	2,309,842	129,715	47,974	202,010	19,983
Operating income (loss)	15,079	97,780	(9,591)	(2,206)	2,509	103,571	(9,782)	93,789	(11,576)	6,281	(20,552)	10,674
Nonoperating gains (losses):												
Net unrealized (losses) gains on investments	(9,281)	(63,038)	(102)	(35)	(213)	(72,669)	-	(72,669)	-	(6,015)	-	(4,013)
Excess (deficiency) of revenue, gains, and other support over expenses before noncontrolling interests	5,798	34,742	(9,693)	(2,241)	2,296	30,902	(9,782)	21,120	(11,576)	266	(20,552)	6,661
Income attributable to noncontrolling interests	(1,438)	-	-	-	-	(1,438)	-	(1,438)	-	-	-	-
Excess (deficiency) of revenue, gains, and other support over expenses	4,360	34,742	(9,693)	(2,241)	2,296	29,464	(9,782)	19,682	(11,576)	266	(20,552)	6,661
Other changes in net assets without donor restrictions:												
Postretirement benefit plan changes other than net periodic benefit cost	2,877	4,817	1,343	937	2,022	11,996	-	11,996	-	-	-	-
Net assets released from restrictions for purchases of property, plant, and equipment	-	58	125	68	-	251	-	251	-	-	-	-
Grant income for purchases of property, plant, and equipment	5	21	-	15	49	90	-	90	59	-	5,874	-
Transfer (to) from Catholic Health Services of Long Island	(2,009)	(2,095)	8,226	22,292	20,203	46,617	-	46,617	15,623	(71,957)	(12,220)	-
Transfer (to) from CHS Services, Inc.	(11,635)	(12,484)	(4,041)	(5,702)	(4,711)	(38,573)	-	(38,573)	(1,734)	12,220	40,323	-
Transfers (to) from related parties	938	1,116	(302)	(21,584)	(812)	(20,645)	-	(20,645)	(392)	-	-	-
Increase (decrease) in net assets without donor restrictions	\$ (5,464)	\$ 26,175	\$ (4,343)	\$ (6,215)	\$ 19,047	\$ 29,200	\$ (9,782)	\$ 19,418	\$ 1,980	\$ (59,471)	\$ 13,425	\$ 6,661

PrecisionCare Surgery Center

ESTABLISH A SINGLE-SPECIALTY FREESTANDING AMBULATORY SURGERY CENTER

PRO FORMA BALANCE SHEET

ASSETS

Cash	\$1,432,591
Leasehold Improvements	\$6,583,816
Equipment	<u>\$3,792,383</u>
TOTAL ASSETS	\$11,808,790

LIABILITIES AND MEMBER EQUITY

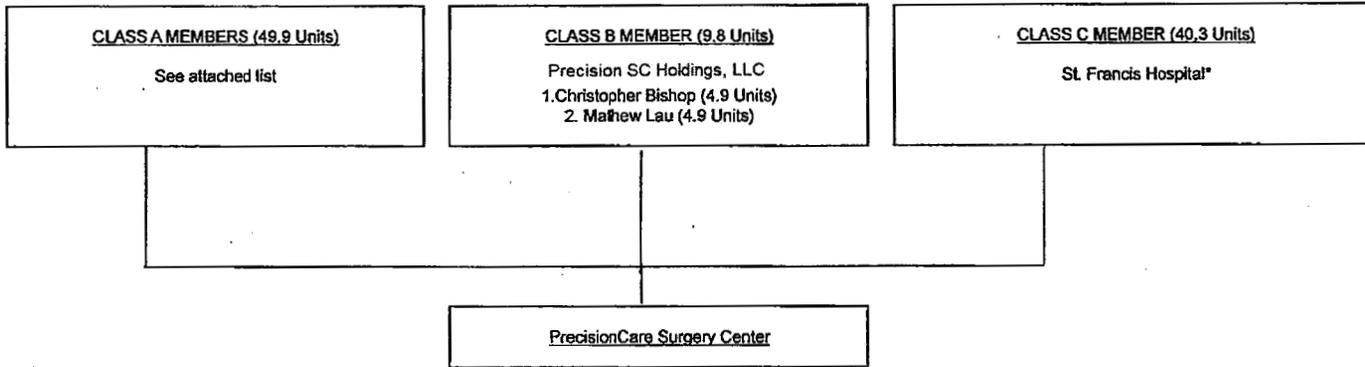
LIABILITIES

Capital Loan	\$8,900,000
Working Capital Loan	<u>\$500,000</u>
TOTAL LIABILITIES	\$9,400,000
MEMBER EQUITY	<u>\$2,408,790</u>

TOTAL LIABILITIES AND MEMBER EQUITY	\$11,808,790
--	---------------------

Precision SC, LLC

Organizational Chart
and
List of Members



Class A Managers

1. Anthony Cappellino, M.D.
2. Morgan N. Chen, M.D.
3. Dimitrios C. Christoforou, M.D.
4. Lorenzo Gamez, M.D.

Class B Manager

1. Christopher Bishop

Class C Managers

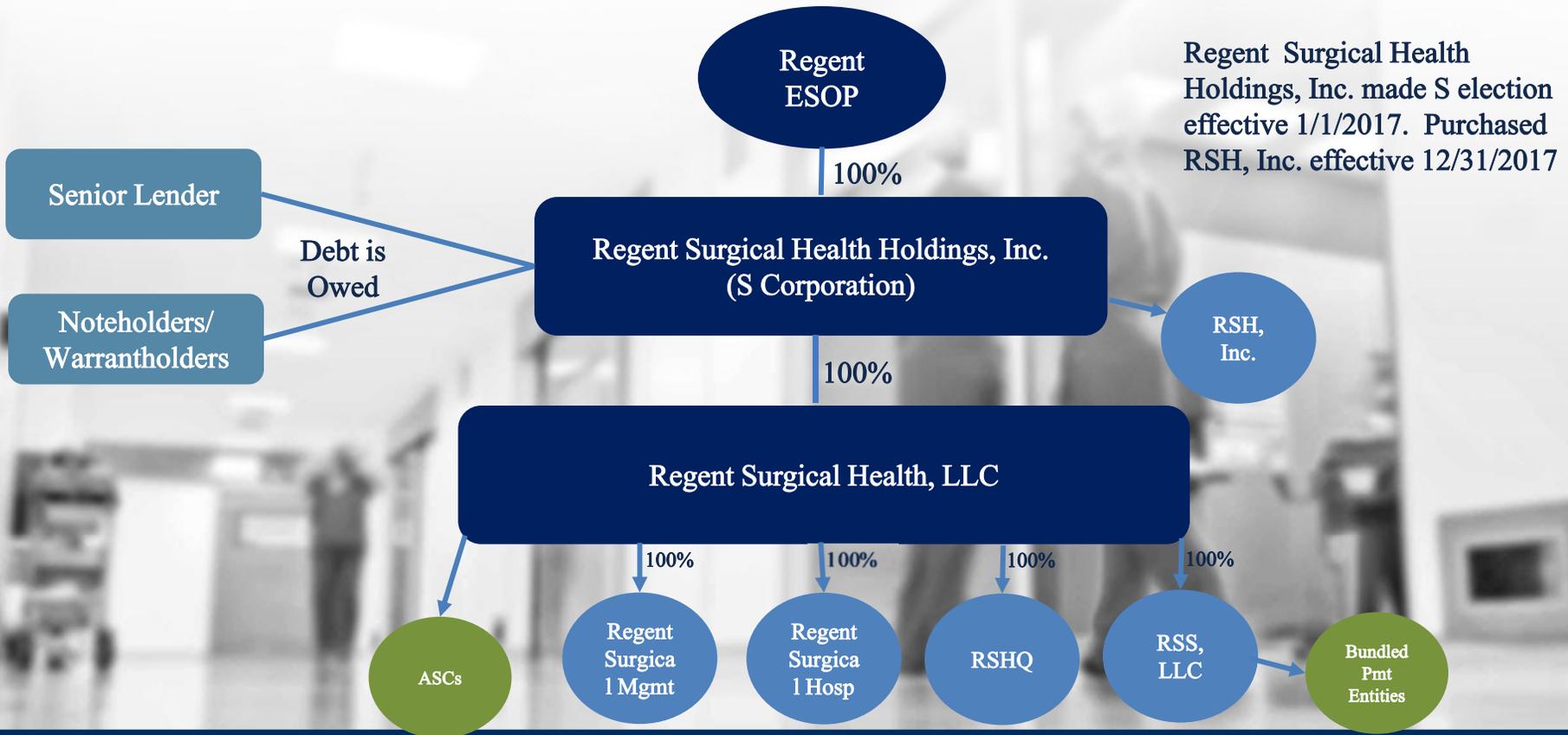
1. Patrick Minicus
2. James O'Connor
3. Dennis Verzi

*The active parent of St. Francis Hospital is Catholic Health System of Long Island, Inc. d/b/a Catholic Health Services of Long Island

MEMBERSHIP UNITS

MEMBERS	TOTAL CASH CAPITAL CONTRIBUTION	TOTAL MEMBERSHIP UNITS
<u>Class A Members</u>		
Steven M. Puopolo, M.D.	\$89,404.17	4.1583
Dimitrios C. Christoforou, M.D.	\$89,404.17	4.1583
Lorenzo Gamez, M.D.	\$89,404.17	4.1583
Christopher M. Mileto, M.D.	\$89,404.17	4.1583
Douglas M. Petraco, M.D.	\$89,404.17	4.1583
Morgan N. Chen, M.D.	\$89,404.17	4.1583
Sathish J. Subbaiah, M.D.	\$89,404.17	4.1583
John J. Brennan, M.D.	\$89,404.17	4.1583
Anthony Cappellino, M.D.	\$89,404.17	4.1583
Jeffrey D. Hart, D.O.	\$89,404.17	4.1583
Gregg J. Jarit, M.D.	\$89,404.17	4.1583
Michael J. Sileo, M.D.	\$89,404.17	4.1583
Class A Total:	\$1,072,850	49.9
<u>Class B Member</u>		
Precision SC Holdings, LLC	\$211,229.12	9.8
Class B Total:	\$211,229.12	9.8
<u>Class C Member</u>		
St. Francis Hospital Roslyn, New York	\$865,920.89	40.3
Class C Total:	\$865,920.89	40.3
TOTAL	\$2,150,000	100 Units

REGENT OWNERSHIP CHART



CON 182236-Precision Care Surgery Center



CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidated Balance Sheet

December 31, 2017

(In thousands)

Assets	<u>2017</u>
Current assets:	
Cash and cash equivalents	\$ 182,278
Investments	600,885
Assets limited or restricted as to use	24,674
Patient accounts receivable, less allowance for uncollectible accounts of \$50,505 in 2017	287,519
Contributions receivable, net	4,625
Other receivables	35,571
Inventories	31,241
Prepaid expenses and other	<u>22,963</u>
Total current assets	<u>1,189,756</u>
Assets limited or restricted as to use:	
Board designated and other	66,480
Donor-restricted funds	48,939
Funded depreciation	358,576
Trustee held and other agreements	133,936
Captive assets	<u>102,874</u>
Total assets limited or restricted as to use	710,805
Less assets limited or restricted as to use and required for current liabilities	<u>24,674</u>
Total assets limited or restricted as to use, net	686,131
Contributions receivable, net of current portion	7,974
Other assets, net	29,727
Insurance claims receivable	168,274
Property, plant, and equipment, net	<u>813,061</u>
Total assets	<u>\$ 2,894,923</u>

Liabilities and Net Assets	<u>2017</u>
Current liabilities:	
Current portion of long-term debt	\$ 35,622
Accounts payable and accrued expenses	209,809
Accrued salaries, related withholdings, and benefits	164,446
Current portion of other self-insured liabilities	31,379
Current portion of estimated third-party payor liabilities	55,377
Other liabilities	<u>28,174</u>
Total current liabilities	524,807
Long-term debt, net of current portion	432,863
Estimated third-party payor liabilities, net of current portion	32,095
Other self-insured liabilities, net of current portion	117,633
Estimated malpractice liabilities	275,633
Other long-term liabilities	<u>64,768</u>
Total liabilities	<u>1,447,799</u>
Net assets:	
Unrestricted:	
Catholic Health Services of Long Island	1,384,034
Noncontrolling interests	<u>1,543</u>
Total unrestricted	1,385,577
Temporarily restricted	57,459
Permanently restricted	<u>4,088</u>
Total net assets	1,447,124
Commitments and contingencies	
Total liabilities and net assets	<u><u>\$ 2,894,923</u></u>

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidated Statements of Operations

Year ended December 31, 2017

(In thousands)

	<u>2017</u>
Unrestricted revenues, gains, and other support:	
Net patient services revenue before bad debts	\$ 2,473,332
Provision for bad debts, net	<u>(25,899)</u>
Net patient services revenue	2,447,433
Investment income, net	60,836
Contributions, net	6,073
Other revenue	137,593
Net assets released from restrictions used for operations	<u>1,637</u>
Total revenues, gains, and other support	<u>2,653,572</u>
Expenses:	
Salaries	1,320,975
Employee benefits	388,704
Supplies and other expenses	693,054
Insurance	57,679
Depreciation and amortization	101,690
Interest	<u>19,507</u>
Total expenses	<u>2,581,609</u>
Operating income before nonoperating gains (losses)	71,963
Nonoperating gains (losses):	
Net unrealized gains on investments	47,483
Other nonoperating gains, net	—
Income attributable to noncontrolling interests	<u>(1,191)</u>
Excess of revenues, gains, and other support over expenses	118,255
Other changes in unrestricted net assets:	
Postretirement benefit plan changes other than net periodic benefit cost	710
Net assets released from restrictions used for purchases of property, plant, and equipment	7,431
Grant income for purchases of property, plant, and equipment	<u>167</u>
Increase in unrestricted net assets	<u>\$ 126,563</u>

Catholic Health Services of Long Island
December 31, 2018
Consolidated Balance Sheets
(In thousands)

	<u>12/31/18</u>	<u>12/31/18</u>
ASSETS		
Current assets:		
Cash and cash equivalents	170,722	—
Investments	555,680	35,833
Current portion of assets limited as to use	35,130	266,008
Accounts receivable, less allowance for uncollectible	312,615	176,081
Contributions receivable, net	5,579	31,804
Other receivables	32,633	57,646
Inventories	33,701	2
Prepaid expenses and other current assets	28,418	
Due from affiliates	480	
	<u>1,174,958</u>	<u>567,374</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Short-term debt		
Current installments of long-term debt		35,833
Accounts payable and accrued expenses		266,008
Accrued salaries and vacation benefits		176,081
Other self insured liabilities		31,804
Third-party payor and other liabilities, net		57,646
Due to affiliates		2
		<u>567,374</u>
Noncurrent liabilities:		
Long-term debt, less current installments	61,763	398,504
Accrued third-party payable, net of current portion	52,135	29,774
Other self insured liabilities, net	333,709	111,106
Estimated malpractice liability	88,749	309,184
Other liabilities	39,945	52,007
	<u>115,944</u>	<u>900,575</u>
Total noncurrent liabilities	692,245	
Assets limited as to use	(35,130)	
Assets limited as to use and required for current liabilities	<u>657,115</u>	
Due from affiliates	866	1,385,899
Contributions receivable, net	6,197	1,770
Long-term investments	57	
Other investments	462	1,387,669
Other assets	31,214	59,904
Insurance claims receivable	190,825	4,088
Property and equipment, net	<u>857,916</u>	<u>1,451,661</u>
Total assets	<u>2,919,610</u>	<u>2,919,610</u>

CATHOLIC HEALTH SERVICES OF LONG ISLAND
 Consolidated Statements of Operations (GAAP Presentation)

December 31, 2018

(In thousands)

	Month ended December 31			Twelve months ended December 31		
	2018			2018		
	Actual	Budget	Variance	Actual	Budget	Variance
Unrestricted revenues, gains, and other support:						
Net patient service revenue	\$ 212,852	\$ 219,695	(6,843)	\$ 2,629,701	\$ 2,626,856	2,845
Provision for bad debts, net	(2,543)	(2,619)	76	(32,112)	(30,920)	(1,192)
Net patient service revenue less provision for bad debts	210,309	217,076	(6,767)	2,597,589	2,595,936	1,653
Other Revenue	17,711	17,095	616	162,219	156,378	5,841
Unrestricted contributions	892	690	202	5,070	4,772	298
Net assets released from restrictions used for operations	205	88	117	1,770	1,339	431
Total revenues, gains, and other support	229,117	234,949	(5,832)	2,766,648	2,758,425	8,223
Expenses:						
Salaries	125,094	119,970	(5,124)	1,399,451	1,397,390	(2,061)
Employee benefits	32,940	34,925	1,985	433,567	437,840	4,273
Supplies and other expenses	55,012	58,874	3,862	735,376	718,107	(17,269)
Insurance	(476)	4,927	5,403	50,333	58,889	8,556
Depreciation and amortization	9,633	9,406	(227)	107,634	109,915	2,281
Interest	1,567	1,566	(1)	18,902	18,933	31
Total expenses	223,770	229,668	5,898	2,745,263	2,741,074	(4,189)
Net operating income	5,347	5,281	66	21,385	17,351	4,034
Nonoperating gains (losses):						
Investment income	19,979	1,419	18,560	60,351	17,022	43,329
Change in unrealized gains on trading investments, net	(52,466)	8	(52,274)	(101,418)	100	(101,518)
Other nonoperating losses	-	-	-	-	-	-
Income attributable to noncontrolling interests	(116)	(134)	18	(1,405)	(1,610)	205
(Deficiency) excess of revenues, gains, and other support over expenses	(27,056)	6,574	(33,630)	(21,087)	32,863	(53,950)
Other changes in unrestricted net assets:						
Postretirement benefit plan changes other than net periodic benefit cost	11,996	-	11,996	11,996	-	11,996
Net assets released from restrictions for purchase of property and equipment	1,321	35	1,286	1,992	425	1,567
Grant income for purchases of property and equipment	2	1,117	(1,115)	8,965	13,405	(4,440)
(Decrease) increase in unrestricted net assets	\$ (13,737)	\$ 7,726	\$ (21,463)	\$ 1,866	\$ 46,693	\$ (44,827)

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidating Schedule – Balance Sheet

December 31, 2017

(In thousands)

Assets	Good Samaritan Hospital	St. Francis Hospital	Mercy Medical Center	St. Charles Hospital	St. Catherine Medical Center & Subsidiaries	Subtotal	Consolidating and eliminating entries	Obligated Group subtotal	St. Joseph Hospital	CHSLI	CHS Services	RVC Insurance Company, Inc.
Current assets:												
Cash and cash equivalents	\$ 16,610	14,492	2,685	4,604	7,303	45,694	—	45,694	1,114	32,405	54,278	16,250
Investments	93,598	331,565	4,698	601	—	430,462	—	430,462	—	55,042	—	86,624
Assets limited or restricted as to use	—	1,712	938	—	—	2,650	—	2,650	—	22,024	—	—
Patient accounts receivable, net	77,811	102,089	26,160	22,940	26,991	255,991	—	255,991	13,564	—	—	—
Contributions receivable, net	—	—	—	—	20	20	—	20	—	—	—	—
Other receivables	5,619	14,840	2,321	1,006	1,126	24,912	—	24,912	32	—	1,685	—
Inventories	7,116	11,475	2,831	3,872	3,660	28,954	—	28,954	1,801	—	—	—
Prepaid expenses and other	6,033	7,647	2,266	1,784	2,815	20,545	—	20,545	635	46	3,952	3,262
Due from related parties	8,305	34,290	5,627	14,110	1,391	63,723	(24,801)	38,922	261	23,044	21,780	63,507
Total current assets	215,092	518,110	47,526	48,917	43,306	872,951	(24,801)	848,150	17,407	132,561	81,695	169,643
Assets limited or restricted as to use:												
Board designated and other	35,352	6,076	1,752	—	—	43,180	—	43,180	—	4,728	—	—
Donor-restricted funds	4,847	2,799	2,083	2,748	1,098	13,575	—	13,575	148	223	—	—
Funded depreciation	9,550	342,535	—	—	5,051	357,136	—	357,136	—	—	—	—
Trustee held and other	12,156	6,626	4,770	640	41,714	65,906	—	65,906	202	65,591	2,042	—
Captive assets	—	—	—	—	—	—	—	—	—	—	—	—
Total assets limited or restricted as to use	61,905	358,036	8,605	3,388	47,863	479,797	—	479,797	350	70,542	2,042	—
Less assets limited or restricted as to use and required for current liabilities	—	1,712	938	—	—	2,650	—	2,650	—	22,024	—	—
Total assets limited or restricted as to use, net	61,905	356,324	7,667	3,388	47,863	477,147	—	477,147	350	48,518	2,042	—
Due from related parties, net of current portion	32,969	35,845	9,372	9,362	—	87,548	(4,081)	83,467	—	22,082	45,465	—
Contributions receivable, net of current portion	—	—	—	8	—	8	—	8	—	—	—	—
Other investments, at cost	—	—	—	—	—	—	—	—	—	2,250	—	—
Other assets, net	997	13,837	—	112	50	14,996	—	14,996	90	10,488	—	—
Insurance claims receivable	86,814	53,286	54,690	27,710	28,705	251,205	—	251,205	17,644	—	—	10,384
Property, plant, and equipment, net	177,726	267,901	102,811	52,819	75,369	676,426	—	676,426	34,125	54	59,261	—
Total assets	\$ 575,503	1,245,303	222,066	142,116	195,293	2,380,261	(28,882)	2,351,399	69,616	215,953	188,463	180,027

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidating Schedule – Balance Sheet

December 31, 2017

(In thousands)

Liabilities and Net Assets	Good Samaritan Hospital	St. Francis Hospital	Mercy Medical Center	St. Charles Hospital	St. Catherine Medical Center & Subsidiaries	Subtotal	Consolidating and eliminating entries	Obligated Group Subtotal	St. Joseph Hospital	CHSLI	CHS Services	RVC Insurance Company, Inc.
Current liabilities:												
Current portion of long-term debt	\$ 1,043	3,831	1,980	1,583	3,323	11,760	—	11,760	950	6,442	15,507	—
Accounts payable and accrued expenses	44,362	61,030	14,858	13,830	13,777	147,857	—	147,857	8,605	12,706	34,173	905
Accrued salaries, related withholdings, and benefits	35,242	54,863	8,015	17,838	16,261	132,219	—	132,219	5,304	3,140	11,768	—
Current portion of other self-insured liabilities	9,256	6,750	2,160	3,651	4,797	26,614	—	26,614	457	—	1,420	—
Current portion of estimated third-party payor liabilities	14,540	19,081	5,398	6,045	6,653	51,717	—	51,717	1,759	—	—	—
Due to related parties	19,924	12,560	13,516	7,793	22,746	76,539	(35,121)	41,418	3,993	9,628	35,934	23,551
Other liabilities	—	—	—	—	—	—	—	—	—	26,419	—	—
Total current liabilities	124,367	158,115	45,927	50,740	67,557	446,706	(35,121)	411,585	21,068	58,335	98,802	24,456
Long-term debt, net of current portion	68,684	162,515	45,780	53,388	57,824	388,191	—	388,191	11,479	17,485	—	—
Estimated third-party payor liabilities, net of current portion	6,943	7,389	1,147	2,404	13,346	31,229	—	31,229	866	—	—	—
Other self-insured liabilities, net of current portion	35,208	22,311	13,387	13,619	17,816	102,341	—	102,341	1,904	—	—	5,284
Estimated malpractice liabilities	92,527	49,205	57,238	26,137	29,420	254,527	—	254,527	21,483	—	—	115,212
Other long-term liabilities	10,729	17,283	1,620	1,636	2,554	33,822	—	33,822	202	22,052	4,593	—
Due to related parties, net of current portion	—	—	21,235	15,296	22,892	59,423	(8,822)	50,601	11,700	82,536	—	—
Total liabilities	338,458	416,818	186,334	163,220	211,409	1,316,239	(43,943)	1,272,296	68,702	180,408	103,395	144,952
Net assets (deficit):												
Unrestricted:												
Attributable to CHS	230,833	825,686	33,649	(23,860)	(17,234)	1,049,074	15,061	1,064,135	766	35,322	85,068	32,825
Attributable to noncontrolling interests	1,365	—	—	—	—	1,365	—	1,365	—	—	—	—
Total unrestricted	232,198	825,686	33,649	(23,860)	(17,234)	1,050,439	15,061	1,065,500	766	35,322	85,068	32,825
Temporarily restricted	4,847	2,799	2,083	1,980	1,118	12,827	—	12,827	148	223	—	—
Permanently restricted	—	—	—	776	—	776	—	776	—	—	—	—
Capital stock and paid-in capital	—	—	—	—	—	—	—	—	—	—	—	2,250
Total net assets (deficit)	237,045	828,485	35,732	(21,104)	(16,116)	1,064,042	15,061	1,079,103	914	35,545	85,068	35,075
Commitments and contingencies												
Total liabilities and net assets (deficit)	\$ 575,503	1,245,303	222,066	142,116	195,293	2,380,281	(28,882)	2,351,399	69,616	215,953	188,463	180,027

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidating Schedule – Statement of Operations

Year ended December 31, 2017

(In thousands)

	Good Samaritan Hospital	St. Francis Hospital	Mercy Medical Center	St. Charles Hospital	St. Catherine Medical Center & Subsidiaries	Subtotal	Consolidating and eliminating entries	Obligated Group Subtotal	St. Joseph Hospital	CHSLI	CHS Services	RVC Insurance Company, Inc.
Unrestricted revenues, gains, and other support:												
Net patient service revenues before bad debts	\$ 653,251	858,079	223,886	213,413	247,770	2,196,399	—	2,196,399	115,169	—	—	—
Provision for bad debts, net	(7,638)	(3,984)	(5,595)	(3,019)	(4,117)	(24,353)	—	(24,353)	(226)	—	—	—
Net patient services revenue	645,613	854,095	218,291	210,394	243,653	2,172,046	—	2,172,046	114,943	—	—	—
Investment income, net	3,019	48,087	219	88	637	52,050	—	52,050	44	1,337	—	1,680
Contributions, net	305	2	97	119	26	549	—	549	6	—	9	—
Other revenue	55,219	60,776	8,704	5,072	4,017	133,788	(96,742)	37,046	1,251	40,830	159,491	27,648
Net assets released from restrictions used for operations	106	237	13	165	104	625	—	625	—	311	—	—
Total revenues, gains, and other support	704,262	963,197	227,324	215,838	248,437	2,359,058	(96,742)	2,262,316	116,244	42,478	159,500	29,328
Expenses:												
Salaries	310,589	411,681	98,600	90,699	112,332	1,023,901	—	1,023,901	49,474	9,388	92,258	—
Employee benefits	95,615	91,155	29,181	26,777	39,072	281,800	—	281,800	20,913	2,677	28,581	—
Supplies and other expenses	183,729	270,662	58,106	67,040	67,559	647,096	(95,967)	551,129	35,012	24,390	37,657	1,137
Insurance	14,628	14,377	10,646	4,418	5,015	49,084	—	49,084	4,047	18	232	29,052
Depreciation and amortization	23,367	28,471	9,013	6,881	6,960	74,692	—	74,692	3,660	12	18,036	—
Interest	486	4,246	882	1,629	3,538	10,781	—	10,781	283	7,544	458	—
CHS Services, Inc.	44,219	48,269	19,712	16,889	17,480	146,569	—	146,569	9,189	—	—	—
CHS corporate office allocation	7,813	8,162	3,170	2,913	3,099	25,157	—	25,157	1,457	—	—	—
Total expenses	680,446	877,023	229,310	217,246	255,055	2,259,080	(95,967)	2,163,113	124,035	44,029	177,222	30,189
Operating income (loss) before nonoperating gains (losses)	23,816	86,174	(1,986)	(1,408)	(6,618)	99,978	(775)	99,203	(7,791)	(1,551)	(17,722)	(861)
Nonoperating gains (losses):												
Change in unrealized gains (losses) on trading investments, net	9,810	20,514	112	63	(88)	30,411	—	30,411	—	3,075	—	2,666
Other nonoperating gains, net	—	—	—	—	—	—	—	—	—	—	—	—
Income attributable to noncontrolling interests	(1,517)	—	—	—	—	(1,517)	—	(1,517)	—	—	—	—
Excess (deficiency) of revenues, gains, and other support over expenses	32,109	106,688	(1,874)	(1,345)	(6,706)	128,872	(775)	128,097	(7,791)	1,524	(17,722)	1,805
Other changes in benefit plan unrestricted net assets:												
Postretirement changes other than net periodic benefit cost	351	39	55	96	169	710	—	710	—	—	—	—
Net assets released from restrictions for purchase of property, plant, and equipment	712	2	784	—	145	1,643	—	1,643	482	—	—	—
Grant income for purchases of property, plant, and equipment	8	47	3	20	—	78	—	78	62	—	—	—
Transfer (to) from Catholic Health Services of Long Island	(2,089)	(2,177)	6,690	2,258	14,170	18,852	—	18,852	4,609	(32,370)	(5,000)	—
Transfer (to) from CHS Services, Inc.	(12,488)	(13,842)	(4,370)	(3,989)	(4,286)	(38,975)	—	(38,975)	(2,318)	5,000	41,350	—
Transfers (to) from related parties	—	5,760	—	—	—	5,760	—	5,760	—	—	—	—
Increase (decrease) in unrestricted net assets	\$ 18,603	96,517	1,288	(2,960)	3,492	116,940	(775)	116,165	(4,956)	(25,846)	18,628	1,805

St. Francis Hospital
Consolidated Comparative Balance Sheets
(\$ In thousands)

<u>ASSETS</u>	<u>12/31/2018</u>	<u>LIABILITIES AND NET ASSETS</u>	<u>12/31/2018</u>
Current assets:		Current liabilities:	
Cash and cash equivalents	\$ 31,443	Current portion of long-term debt	\$ 5,640
Investments	340,422	Accounts payable and accrued expenses	61,677
Assets whose use is limited - current	1,657	Accrued salaries, related withholdings, and benefits	62,784
Patient accounts receivable (Less allowance for uncollectible of \$9,281 (2018))	110,040	Current portion of other self-insured liabilities	6,741
Other Receivables	9,626	Current portion of estimated third party payor and other liabilities, net	15,806
Inventories	12,342	Current portion of estimated malpractice liabilities	-
Prepaid expenses and other current assets	8,207	Due to related parties, net	7,727
Due from related parties	<u>44,931</u>	Due to affiliates	<u>-</u>
Total current assets	<u>558,668</u>	Total current liabilities	<u>160,375</u>
Assets whose use is limited:			
Board designated investments	5,899	Long-term debt, net of current portion	90,222
Restricted funds	2,717	Estimated third party payor and other liabilities, net of current portion	6,511
Funded Depreciation	317,645	Other self-insured liabilities, net of current portion	18,935
Trustee held and other agreements	4,883	Estimated malpractice liabilities, net of current portion	57,816
Bond Indenture	1,688	Other long-term liabilities, net of current portion	12,649
Total assets whose use is limited	<u>332,832</u>	Total Liabilities	<u>346,508</u>
Less assets limited as to use and required for current liabilities	<u>(1,657)</u> 331,175		
Due from related parties, net of current portion	672	Net Assets:	
Due from affiliates	866	Unrestricted	881,820
Long-term investments, net of current portion	-	Temporarily restricted	<u>2,717</u>
Other Assets	12,977		
Insurance Claims Receivable	60,034	Total net assets	<u>884,537</u>
Property and equipment, net	<u>266,653</u>		
 		Total liabilities and net assets	<u>\$ 1,231,045</u>
Total assets	<u>\$ 1,231,045</u>		

St. Francis Hospital Consolidated
Consolidated Statements of Operations
December 31, 2018
(In thousands)

<u>Month end December</u>				<u>Twelve months ended December</u>		
2018 Actual	2018 Budget	Budget Variances		2018 Actual	2018 Budget	Budget Variances
71,593	75,631	(4,038)	Unrestricted revenues, gains, and other support:	923,521	917,259	6,262
(409)	(409)	-	Net patient service revenue	(4,379)	(4,896)	517
71,184	75,222	(4,038)	Provision for bad debts, net	919,142	912,363	6,779
			Net patient service revenue less provision for bad debts			
6,226	5,487	739	Other Revenue	67,775	58,031	9,744
-	-	-	Unrestricted contributions	6	-	6
3	17	(14)	Net assets released from restrictions used for operations	38	200	(162)
77,413	80,726	(3,313)	Total revenues, gains, and other support	986,961	970,594	16,367
38,679	37,250	(1,429)	Expenses:			
6,585	8,499	1,914	Salaries	438,117	433,525	(4,592)
21,482	22,478	996	Employee benefits	99,539	106,129	6,590
1,696	1,372	(324)	Supplies and other expenses	279,426	277,222	(2,204)
2,488	2,279	(209)	Insurance	15,949	16,253	304
333	342	9	Depreciation and amortization	29,661	27,319	(2,342)
6,168	4,240	(1,928)	Interest	4,074	4,101	27
(208)	783	991	Finance and technology services	52,798	50,870	(1,928)
			CHSLI corporate office allocation	8,399	9,390	991
77,223	77,243	20	Total expenses	927,963	924,809	(3,154)
190	3,483	(3,293)	Operating income	58,998	45,785	13,213
13,011	921	12,090	Nonoperating gains (losses):			
(31,335)	-	(31,335)	Investment income	37,783	11,051	26,732
-	-	-	Change in unrealized (losses) gains on trading investments, net	(63,038)	-	(63,038)
-	-	-	Loss on debt extinguishment	-	-	-
			Other nonoperating gains	-	-	-
(18,134)	4,404	(22,538)	(Deficiency) excess of revenues, gains, and other support over expenses	33,743	56,836	(23,093)
4,817	-	4,817	Other changes in unrestricted net assets:			
			Postretirement benefit plan changes other than net periodic benefit cost	4,817	-	4,817
-	-	-	Net assets released from restrictions for purchase of property and equipment	58	-	58
-	3	(3)	Grant income for purchases of property and equipment	21	40	(19)
			Transfers (to) from related parties:			
(1,180)	(880)	(300)	CHS Services/CHSLI	(10,874)	(10,575)	(299)
103	-	103	St. Francis Hospital Foundation	1,347	-	1,347
-	-	-	St. Francis Research & Education Corp	-	-	-
(8,436)	-	(8,436)	Other Related Party Transfers	(3,936)	-	(3,936)
(22,830)	3,527	(26,357)	(Decrease) increase in unrestricted net assets	25,176	46,301	(21,125)

The Center for Advanced Spine and Joint Surgery

ESTABLISH A MULTI-SPECIALTY FREESTANDING AMBULATORY SURGERY CEN

PRO FORMA BALANCE SHEET

ASSETS

Cash	\$1,009,815
Leasehold Improvements	\$5,976,082
Equipment	<u>\$3,394,826</u>
TOTAL ASSETS	\$10,380,723

LIABILITIES AND MEMBER EQUITY

LIABILITIES

Capital Loan	\$7,965,272
Working Capital Loan	<u>\$500,000</u>

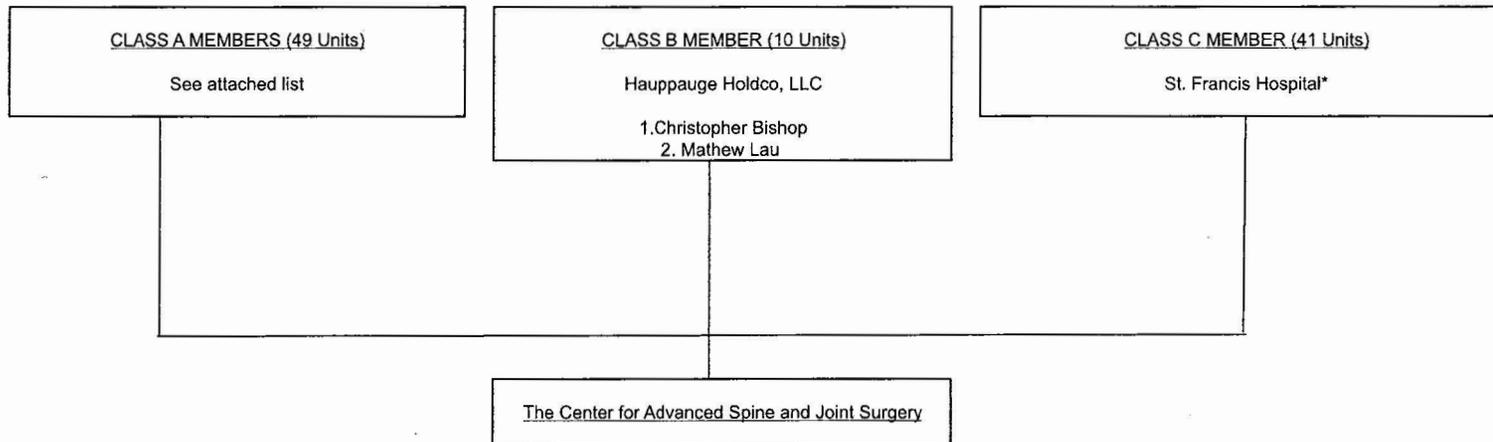
TOTAL LIABILITIES **\$8,465,272**

MEMBER EQUITY **\$1,915,451**

**TOTAL LIABILITIES AND
MEMBER EQUITY** **\$10,380,723**

Hauppauge SC, LLC

**Organizational Chart
and
List of Members**



Class A Managers

1. Arjang Abbasi, D.O.
2. Thomas Dowling, Jr., M.D.
3. Laurence Mermelstein, M.D.
4. David Weissberg, M.D.

Class B Manager

1. Christopher Bishop

Class C Managers

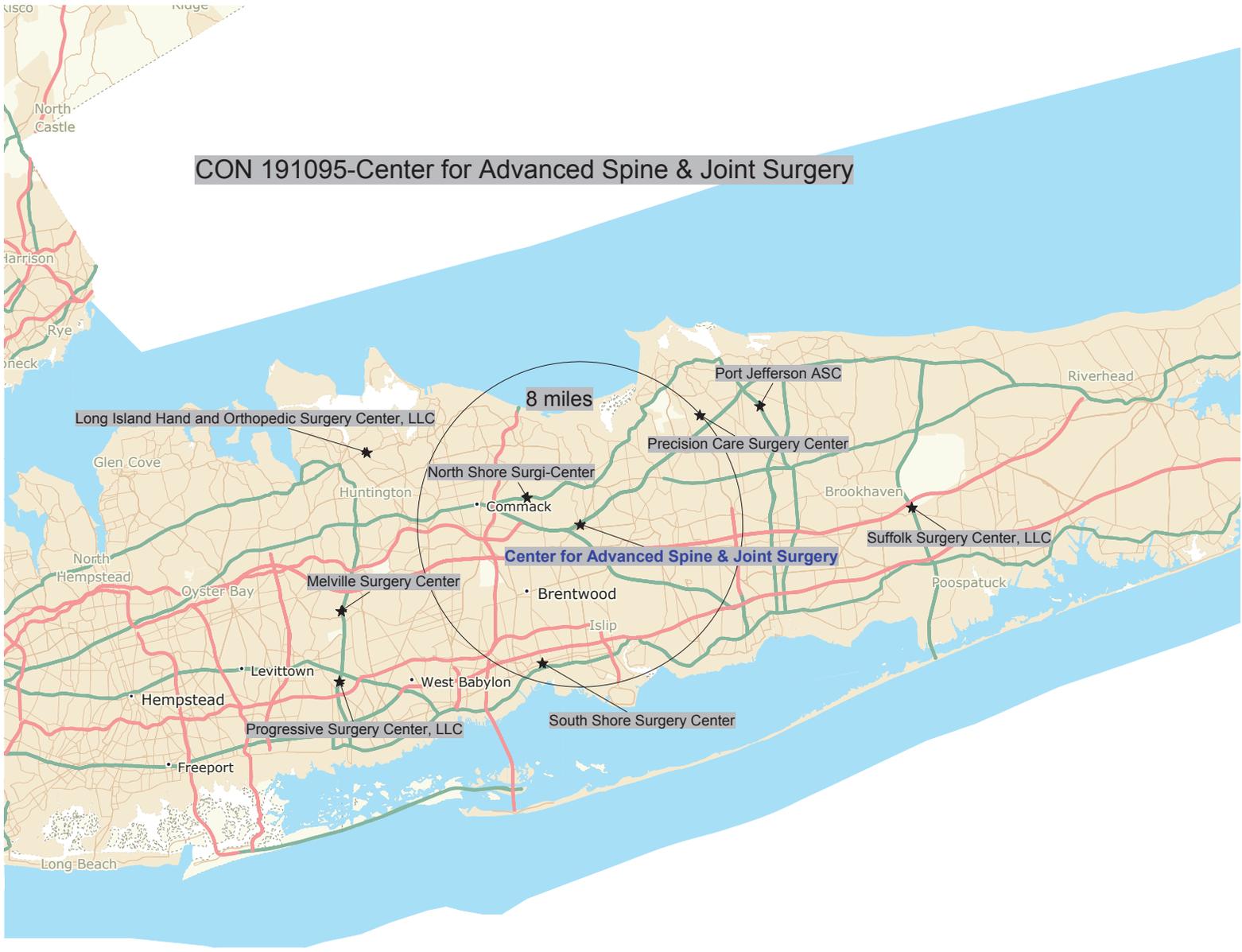
1. Patrick Minicus
2. James O'Connor
3. Dennis Verzi

*The active parent of St. Francis Hospital is Catholic Health System of Long Island, Inc. d/b/a Catholic Health Services of Long Island

MEMBERSHIP UNITS

MEMBERS	TOTAL CASH CAPITAL CONTRIBUTION	TOTAL MEMBERSHIP UNITS
<u>Class A Members</u>		
Thomas J. Dowling, Jr., M.D.	\$112,417.50	5.765
Laurence E. Mermelstein, M.D.	\$112,417.50	5.765
Hargovind DeWal, M.D.	\$112,417.50	5.765
David Weissberg, M.D.	\$112,417.50	5.765
Zachariah George, M.D.	\$112,417.50	5.765
Sushil K. Basra, M.D.	\$112,417.50	5.765
Joseph T. Sanelli, D.O.	\$112,417.50	5.765
Arjang Abbasi, D.O.	\$112,417.50	5.765
Christopher Frendo, D.O.	\$56,160	2.880
Class A Total:	\$955,500	49.000 Units
<u>Class B Member</u>		
Hauppauge Holdco, LLC	\$195,000	10.000 Units
Class B Total:	\$195,000	10.000 Units
<u>Class C Member</u>		
St. Francis Hospital Roslyn, New York	\$799,500	41.000 Units
Class C Total:	\$799,500	41.000 Units
Total	\$1,950,000	100.000 Units

CON 191095-Center for Advanced Spine & Joint Surgery



The Mount Sinai Hospital
Consolidated Statements of Financial Position

	December 31	
	2018	2017
	<i>(In Thousands)</i>	
Assets		
Current assets:		
Cash and cash equivalents	\$ 110,221	\$ 681,241
Short-term investments	452,833	234,236
Total cash and cash equivalents and short-term investments	563,054	915,477
Patient accounts receivable, net	370,347	314,869
Professional liabilities insurance recoveries receivable	39,453	39,685
Assets limited as to use, current portion	33,868	36,207
Due from related organizations, net, current portion	200,797	137,670
Inventories	39,921	36,092
Other current assets	35,178	44,290
Total current assets	1,282,618	1,524,290
Pooled investments	878,190	861,765
Other investments	229,694	218,541
Assets limited as to use, less current portion	39,940	39,818
Due from related organizations, less current portion	506,594	233,247
Beneficial interest in self-insurance trust	44,083	-
Other assets	41,501	39,427
Professional liabilities insurance recoveries receivable, less current portion	179,732	224,882
Property, plant, and equipment, net	984,751	950,670
Total assets	\$ 4,187,103	\$ 4,092,640

	December 31	
	2018	2017
	<i>(In Thousands)</i>	
Liabilities and net assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 205,213	\$ 185,931
Accrued salaries and related liabilities	114,823	122,250
Accrued interest payable	14,916	8,430
Accrued construction and capital asset liabilities	9,658	10,733
Current portion of long-term debt	33,380	32,370
Professional liabilities, current portion	39,453	39,685
Other current liabilities	37,280	84,002
Total current liabilities	<u>454,723</u>	<u>483,401</u>
Long-term debt, less current portion	841,627	875,899
Accrued postretirement benefits	9,831	16,602
Estimated self-insurance liability	44,083	—
Deferred gain on transfer of real estate	27,055	27,055
Professional liabilities, less estimated current portion	179,732	224,882
Other liabilities	446,107	447,200
Total liabilities	<u>2,003,158</u>	<u>2,075,039</u>
Commitments and contingencies		
Net assets:		
Net assets without donor restrictions	1,989,529	1,829,431
Net assets with donor restrictions	194,416	188,170
Total net assets	<u>2,183,945</u>	<u>2,017,601</u>
Total liabilities and net assets	<u>\$ 4,187,103</u>	<u>\$ 4,092,640</u>

See accompanying notes.

The Mount Sinai Hospital
Consolidated Statements of Operations

	Year Ended December 31	
	2018	2017
	<i>(In Thousands)</i>	
Operating revenue		
Net patient service revenue	\$ 2,713,429	\$ 2,538,250
Provision for bad debts	—	(25,030)
Net patient service revenue, less provision for bad debts	2,713,429	2,513,220
Investment income and net realized gains and losses on sales of securities	44,766	33,407
Contributions	1,008	716
Other revenue	105,533	82,958
Net assets released from restrictions for operations	32,053	28,899
Total operating revenue before other items	2,896,789	2,659,200
Operating expenses		
Salaries and wages	1,051,151	937,165
Employee benefits	274,743	251,916
Supplies and other	1,218,482	1,127,691
Depreciation	108,720	109,229
Interest and amortization	34,372	28,032
Total operating expenses before other items	2,687,468	2,454,033
Excess of operating revenue over operating expenses before other items	209,321	205,167

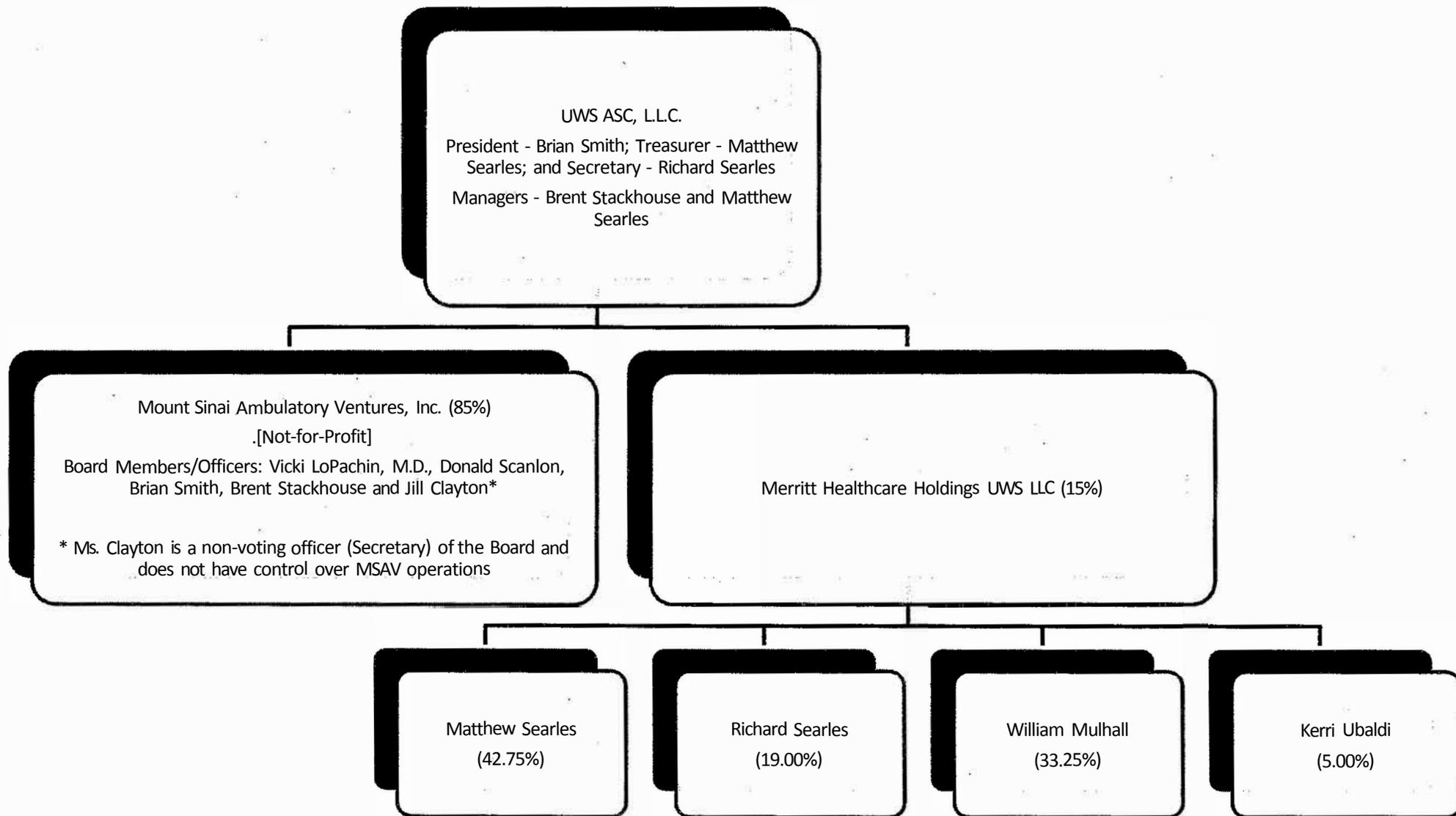
Continued on following page.

The Mount Sinai Hospital
Consolidated Statements of Operations (continued)

	Year Ended December 31	
	2018	2017
	<i>(In Thousands)</i>	
Excess of operating revenue over operating expenses before other items	\$ 209,321	\$ 205,167
Other items		
Net change in unrealized gains and losses on investments and change in value of alternative investments	(60,131)	51,441
Third-party reimbursement settlements and other provisions	45,440	66,548
Gain on sale of clinical outreach laboratory business	2,773	96,993
Net change in participation in captive insurance program	49,327	41,685
Excess of revenue over expenses	246,730	461,834
Other changes in net assets without donor restrictions		
Transfers to affiliates	(95,989)	(126,596)
Distribution from MSMC Residential Realty LLC	-	164
Equity in income from related party	-	474
Equity in income from related party and distributions transferred to the Icahn School of Medicine at Mount Sinai	(1,386)	(638)
Net assets released from restrictions for capital asset acquisitions	4,654	5,763
Change in postretirement liability to be recognized in future periods	6,089	(448)
Total other changes in net assets without donor restrictions	(86,632)	(121,281)
Net increase in net assets without donor restrictions	\$ 160,098	\$ 340,553

See accompanying notes.

Organizational Chart



UWS ASC, L.L.C.

ESTABLISH A SINGLE-SPECIALTY FREESTANDING AMBULATORY SURGERY CENTER

PRO FORMA BALANCE SHEET

ASSETS

Cash	\$1,147,533
New Leasehold Improvements / Other Assets	\$10,197,495
TOTAL ASSETS	\$11,345,028

LIABILITIES AND MEMBER EQUITY

LIABILITIES

Capital Loan	\$9,177,746
Working Capital Loan	<u>\$573,766</u>

TOTAL LIABILITIES **\$9,751,512**

MEMBER EQUITY **\$1,593,516**

**TOTAL LIABILITIES AND
MEMBER EQUITY** **\$11,345,028**

Note: As a newly formed entity, the LLC currently has minimal assets and liabilities.



PBGS, LLC**BALANCE SHEETS****ASSETS**

	<u>DECEMBER 31,</u> 2017	<u>DECEMBER 31,</u> 2016
Current Assets:		
Cash	\$ 95,835	\$ 1,790,677
Accounts receivable	1,708,271	5,068,767
Prepaid UBT tax	<u>75,735</u>	<u>-</u>
Total Current Assets	<u>1,879,841</u>	<u>6,859,444</u>
Property and Equipment:		
Medical equipment	454,392	454,056
Office and IT equipment	193,338	193,338
Furniture and fixtures	60,751	60,751
Leasehold improvements	<u>2,852,205</u>	<u>2,852,205</u>
	3,560,686	3,560,350
Less: Accumulated depreciation	<u>861,189</u>	<u>594,833</u>
Total Property and Equipment	<u>2,699,497</u>	<u>2,965,517</u>
Other Assets:		
Security deposits	<u>70,000</u>	<u>70,000</u>
Total Assets	<u>\$ 4,649,338</u>	<u>\$ 9,894,961</u>

PBGS, LLC
BALANCE SHEETS

LIABILITIES AND MEMBER'S EQUITY

	<u>DECEMBER 31,</u> <u>2017</u>	<u>DECEMBER 31,</u> <u>2016</u>
Current Liabilities:		
Accounts payable (\$ 101,286	\$ 165,615
Lines of credit payable (<u>409,313</u>	<u>386,970</u>
Total Current Liabilities	<u>510,599</u>	<u>552,585</u>
Long-Term Liabilities:		
Lines of credit payable (1,447,293	1,856,606
Deferred income taxes (<u>65,092</u>	<u>197,819</u>
Total Long-Term Liabilities	<u>1,512,385</u>	<u>2,054,425</u>
Total Liabilities	<u>2,022,984</u>	<u>2,607,010</u>
Member's Equity	<u>2,626,354</u>	<u>7,287,951</u>
Total Liabilities and Member's Equity	<u>\$ 4,649,338</u>	<u>\$ 9,894,961</u>

PBGS, LLC

STATEMENTS OF INCOME AND MEMBER'S EQUITY

	FOR THE YEARS ENDED DECEMBER 31,	
	<u>2017</u>	<u>2016</u>
Net Patient Service Revenues	\$ 8,686,534	\$ 11,433,475
Net Operating Expenses:		
Patient care	2,731,581	2,402,907
Operation of facility	502,321	492,881
General and administrative	<u>3,396,022</u>	<u>3,629,675</u>
Total Net Operating Expenses	<u>6,629,924</u>	<u>6,525,463</u>
Income from Operations	2,056,610	4,908,012
Other Expense:		
Interest expense	<u>92,058</u>	<u>117,441</u>
Income Before Income Taxes	1,964,552	4,790,571
Income Tax Expense	<u>76,149</u>	<u>205,060</u>
Net Income	<u>\$ 1,888,403</u>	<u>\$ 4,585,511</u>
Member's Equity - Beginning	\$ 7,287,951	\$ 9,702,440
Net Income	1,888,403	4,585,511
Less: Distributions to member	<u>(6,550,000)</u>	<u>(7,000,000)</u>
Member's Equity - Ending	<u>\$ 2,626,354</u>	<u>\$ 7,287,951</u>

2:25 PM
06/05/19
Accrual Basis

DRAFT
UNADJUSTED
UNAUDITED

PBGS, LLC
Balance Sheet
As of May 31, 2019

BFA Attachment B - CON 191237

	<u>May 31, 19</u>	
ASSETS		
Current Assets		
Checking/Savings		
Cash		
Chase-Operating	1,137,752.57	
Chase Deposit Account	443,625.69	
Total Cash	<u>1,581,378.26</u>	
Total Checking/Savings	1,581,378.26	
Accounts Receivable		
Accounts Receivables		
ALLOW FOR DOUBT A/C-FACILITY	-999,576.60	
ALLOW FOR DOUBT A/C-ANESTHESIA	-257,982.04	
A/R-ANESTHESIA	487,412.85	
A/R-FACILITY	2,478,416.87	
Total Accounts Receivables	<u>1,708,271.08</u>	
Total Accounts Receivable	1,708,271.08	
Other Current Assets		
Prepaid Exp and OCA		
Prepaid Taxes	75,735.00	
Total Prepaid Exp and OCA	<u>75,735.00</u>	
Total Other Current Assets	<u>75,735.00</u>	
Total Current Assets	3,365,384.34	
Fixed Assets		
Furniture and Equipment		538.07
Leasehold Improvements		
Accum Depr-LHI	-487,131.96	
Architect's Fees	220,173.76	
Construction	2,626,031.23	
Designer	6,000.00	
Total Leasehold Improvements	<u>2,365,073.03</u>	
Prop & Eqpmnt, Net Eqpmnt		
Accum Depr-Medical Equipment	-209,717.26	
Accum Depr-F&F	-38,670.08	
Accum Depr-IT Equipment	-125,669.86	
Furniture and Equipment	60,212.98	
IT Setup	193,338.27	
Medical Equipment	483,565.99	
Total Prop & Eqpmnt, Net Eqpmnt	<u>363,060.04</u>	
Total Fixed Assets	2,728,671.14	
Other Assets		
Security Deposits Asset	69,999.99	
Total Other Assets	<u>69,999.99</u>	
TOTAL ASSETS	<u><u>6,164,055.47</u></u>	
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable	83,835.25	
Accounts Payable	83,835.25	
Total Accounts Payable	<u>83,835.25</u>	

2:25 PM

06/05/19

Accrual Basis

DRAFT
UNADJUSTED
UN AUDITED

PBGS, LLC
Balance Sheet
As of May 31, 2019

BFA Attachment B-
CON 191237 Continued

	<u>May 31, 19</u>
Credit Cards	
American Express Payable	54,716.84
Total Credit Cards	54,716.84
Other Current Liabilities	
Garnishment	-991.42
Total Other Current Liabilities	-991.42
Total Current Liabilities	137,560.67
Long Term Liabilities	
LOAN PBL FR/TO CHASE BANK(7001)	1,013,964.28
LOAN PBL FR/TO CHASE(7002)	270,869.30
Deferred Tax Liability - LT	65,092.00
Total Long Term Liabilities	1,349,925.58
Total Liabilities	1,487,486.25
Equity	
Member's Equity	
Member 2	45,001.56
Total Member's Equity	45,001.56
Retained Earnings	3,126,998.25
Net Income	1,504,569.41
Total Equity	4,676,569.22
TOTAL LIABILITIES & EQUITY	6,164,055.47

2:07 PM

06/05/19

Accrual Basis

DRAFT UNADMITTED UN AUDITED

PBGS, LLC Profit & Loss January through May 2019

BFA Attachment B CON 191237 -Continued

Table with columns for categories (Income, Revenue, Refunds, Expense) and values for Jan - May 19. Includes sub-totals like Total Revenue, Total Income, Gross Profit, Total Computer and Internet Expenses, Total Office Expense, and Total General and Administrative.

DRAFT
UNAUDITED
UNAUDITED

PBGS, LLC
Profit & Loss
January through May 2019

	<u>Jan - May 19</u>
Medical & Non-Medical Supplies	
Linen and laundry	31,298.73
Medical Gas	2,569.50
Medical Supplies	216,645.06
Medical Waste	1,567.80
	<hr/>
Total Medical & Non-Medical Supplies	252,081.09
Occupancy	
Maintenance & Repair	21,834.96
Janitorial Expense	14,942.88
Rent Expense	133,622.76
Utilities	26,739.36
	<hr/>
Total Occupancy	197,139.96
Payroll and Benefits	
Anesthesia Staffing Costs	
Anesthesiologists	278,800.00
CRNA	168,300.00
	<hr/>
Total Anesthesia Staffing Costs	447,100.00
Paroll Taxes & Employee Benefit	
Disability	-379.72
FICA	52,090.68
FUTA	1,538.01
Loc.	1,458.20
MCTMT	-299.40
Pre-tax commuter	-315.00
NYPFL	-908.45
PR Tax Whld.	0.00
Payroll Service	3,574.99
SUTA - NY	9,157.86
SUTA - North Carolina	801.75
	<hr/>
Total Paroll Taxes & Employee Benefit	66,718.92
Salaries	
Administrator	75,000.00
Central Sterile Ctr.	35,672.13
Full time MA	99,398.93
Full Time RN	202,778.20
Laboratory Services	120.00
MAINTENANCE	72,812.27
Technicians	
Full Time Techs	11,008.90
	<hr/>
Total Technicians	11,008.90
Administration	
Admiting	59,425.58
Administration - Other	135,699.28
	<hr/>
Total Administration	195,124.86
Total Salaries	<hr/> 691,915.29
Total Payroll and Benefits	1,205,734.21
Professional Fees	
Accounting	18,437.50
Consulting	8,500.00
Legal	8,992.03
Professional Fees - Other	154,745.43
	<hr/>
Total Professional Fees	190,674.96

2:07 PM

06/05/19

Accrual Basis

DRAFT
UNAUDITED
UNAUDITED

PBGS, LLC
Profit & Loss

January through May 2019

BFA Attachment B-
CON 191237 Continued

	<u>Jan - May 19</u>
Revenue Cycle Management	
Bank Service Charges	1,537.97
Total Revenue Cycle Management	<u>1,537.97</u>
Total Expense	<u>2,178,617.66</u>
Net Ordinary Income	1,549,908.21
Other Income/Expense	
Other Expense	
Interest Expense	
Interest Exp. - Chase loan(7001)	20,481.32
Intr. Exp. Chase loan(7002)	<u>5,000.48</u>
Total Interest Expense	25,481.80
Taxes	
NYC UBT	<u>19,857.00</u>
Total Taxes	<u>19,857.00</u>
Total Other Expense	<u>45,338.80</u>
Net Other Income	<u>-45,338.80</u>
Net Income	<u><u>1,504,569.41</u></u>

BRONX MEDICAL CENTER

BFA Attachment B
CON 191196

**PROFORMA
BALANCE SHEET**

YEAR 1

ASSETS

ASSETS

Cash	\$ 500,826
L/H Improvements	661,105
Furniture, Fixtures, & Equipment	<u>127,308</u>

TOTAL ASSETS \$ 1,289,239

LIABILITIES AND MEMBER'S EQUITY

LIABILITIES

Loans Payable	<u>\$ 700,000</u>
---------------	-------------------

TOTAL LIABILITIES 700,000

MEMBER'S EQUITY

Member Capital Contributions	<u>589,239</u>
------------------------------	----------------

TOTAL MEMBER'S EQUITY 589,239

TOTAL LIABILITIES AND MEMBER'S EQUITY \$ 1,289,239

Planned Parenthood of New York City, Inc. and AffiliateConsolidated Statements of Financial Position
December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Assets		
Cash and cash equivalents	\$ 19,026,055	\$ 19,991,050
Short-term investments	-	588,741
Patient services receivable, less allowance for doubtful accounts of \$909,775 and \$617,091, respectively	3,139,331	2,281,953
Pledges receivable	3,802,311	4,104,926
Grants receivable	1,539,540	1,575,305
Prepaid expenses and other assets	2,048,248	1,519,883
Long-term investments	100,634,869	109,041,721
Property, plant and equipment, net	<u>13,213,580</u>	<u>12,747,492</u>
Total assets	<u>\$ 143,403,934</u>	<u>\$ 151,851,071</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 2,186,906	\$ 1,279,040
Accrued expenses	2,628,684	1,432,580
Deferred rent	1,501,104	1,137,801
Refundable advances	<u>27,898</u>	<u>25,715</u>
Total liabilities	<u>6,344,592</u>	<u>3,875,136</u>
Net Assets		
Net assets without donor restrictions	56,900,206	63,485,482
Net assets without donor restrictions, Board designated	<u>3,225,924</u>	<u>3,798,342</u>
Total net assets without donor restrictions	<u>60,126,130</u>	<u>67,283,824</u>
Net assets with donor restrictions	<u>76,933,212</u>	<u>80,692,111</u>
Total net assets	<u>137,059,342</u>	<u>147,975,935</u>
Total liabilities and net assets	<u>\$ 143,403,934</u>	<u>\$ 151,851,071</u>

Planned Parenthood of New York City, Inc. and Affiliate

Consolidated Statements of Activities and Changes in Net Assets
Year Ended December 31, 2018 (with comparative totals for 2017)

	Without Donor Restrictions	Without Donor Restrictions- Board Designated	With Donor Restrictions	2018 Total	2017 Total
Operating Support, Grants and Revenue					
Public support and grants:					
Direct contributions	\$ 13,532,211	\$ -	\$ 1,649,341	\$ 15,181,552	\$ 21,874,391
Grants and contracts	7,128,363	-	-	7,128,363	8,491,784
Patient service fees	25,440,356	-	-	25,440,356	25,844,905
Less provision for bad debts	(331,047)	-	-	(331,047)	(605,784)
Professional training fees	41,038	-	-	41,038	107,784
Endowment assets appropriated for use in operations	4,400,000	-	-	4,400,000	4,400,000
Other	2,410,199	-	-	2,410,199	1,384,618
Net assets released from restriction/ designation	3,565,498	(1,326,168)	(2,239,330)	-	-
Total operating support, grants and revenue	<u>56,186,618</u>	<u>(1,326,168)</u>	<u>(589,989)</u>	<u>54,270,461</u>	<u>61,497,698</u>
Expenses					
Program services:					
Clinical service programs	37,647,967	-	-	37,647,967	35,627,650
Education programs	2,763,400	-	-	2,763,400	2,499,307
Public affairs and advocacy	3,119,860	-	-	3,119,860	2,293,611
Total program expenses	<u>43,531,227</u>	<u>-</u>	<u>-</u>	<u>43,531,227</u>	<u>40,420,568</u>
Supporting services:					
Management and general	11,029,700	-	-	11,029,700	8,304,831
Development	2,669,218	-	-	2,669,218	2,264,232
Total supporting expenses	<u>13,698,918</u>	<u>-</u>	<u>-</u>	<u>13,698,918</u>	<u>10,569,063</u>
Total expenses	<u>57,230,145</u>	<u>-</u>	<u>-</u>	<u>57,230,145</u>	<u>50,989,631</u>
Changes in net assets before non-operating revenue and expenses	<u>(1,043,527)</u>	<u>(1,326,168)</u>	<u>(589,989)</u>	<u>(2,959,684)</u>	<u>10,508,067</u>
Non-Operating Revenue and Expenses					
Planned Giving, contributions	-	753,750	-	753,750	1,659,378
Planned Giving, expenses	-	-	-	-	(174,704)
Investment income	750,199	-	2,109,502	2,859,701	2,520,239
Appropriation of endowment assets with donor restrictions for use in operations	-	-	-	-	(4,400,000)
Transfer of investments without donor restrictions for use in operations	(4,400,000)	-	-	(4,400,000)	-
Net realized and unrealized gain on investments, net of fees	(1,891,948)	-	(5,278,412)	(7,170,360)	7,574,259
Total non-operating revenue and expenses	<u>(5,541,749)</u>	<u>753,750</u>	<u>(3,168,910)</u>	<u>(7,956,909)</u>	<u>7,179,172</u>
Changes in net assets	<u>(6,585,276)</u>	<u>(572,418)</u>	<u>(3,758,899)</u>	<u>(10,916,593)</u>	<u>17,687,239</u>
Net Assets, Beginning of Year	<u>63,485,482</u>	<u>3,798,342</u>	<u>80,692,111</u>	<u>147,975,935</u>	<u>130,288,696</u>
Net Assets, End of Year	<u>\$ 56,900,206</u>	<u>\$ 3,225,924</u>	<u>\$ 76,933,212</u>	<u>\$ 137,059,342</u>	<u>\$ 147,975,935</u>

Planned Parenthood of New York City, Inc. and AffiliateConsolidated Statements of Financial Position
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Assets		
Cash and cash equivalents	\$ 19,991,050	\$ 17,645,199
Short-term investments	588,741	315,445
Patient services receivable, less allowance for doubtful accounts of \$617,091 and \$1,266,855, respectively	2,281,953	3,110,624
Pledges receivable	4,104,926	3,511,662
Grants receivable	1,575,305	1,640,721
Prepaid expenses and other assets	1,519,883	1,443,106
Long-term investments	109,041,721	91,726,730
Property, plant and equipment, net	12,747,492	13,888,964
	<u>151,851,071</u>	<u>133,282,451</u>
Total assets	<u>\$ 151,851,071</u>	<u>\$ 133,282,451</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 1,279,040	\$ 895,293
Accrued expenses	1,432,580	1,366,689
Deferred rent	1,137,801	729,385
Refundable advances	25,715	2,388
	<u>3,875,136</u>	<u>2,993,755</u>
Total liabilities	<u>3,875,136</u>	<u>2,993,755</u>
Net Assets		
Unrestricted	57,880,480	43,711,090
Board designated	3,798,342	4,839,558
	<u>61,678,822</u>	<u>48,550,648</u>
Total unrestricted net assets	<u>61,678,822</u>	<u>48,550,648</u>
Temporarily restricted	13,394,911	8,838,096
Permanently restricted	72,902,202	72,899,952
	<u>147,975,935</u>	<u>130,288,696</u>
Total net assets	<u>147,975,935</u>	<u>130,288,696</u>
Total liabilities and net assets	<u>\$ 151,851,071</u>	<u>\$ 133,282,451</u>

Planned Parenthood of New York City, Inc. and AffiliateConsolidated Statements of Activities and Changes in Net Assets
Year Ended December 31, 2017 (with comparative totals for 2016)

	Unrestricted	Board Designated	Temporarily Restricted	Permanently Restricted	2017 Total	2016 Total
Operating Support, Grants and Revenue						
Public support and grants						
Direct contributions	\$ 18,458,648	\$ -	\$ 3,413,493	\$ 2,250	\$ 21,874,391	\$ 13,219,161
Grants and contracts	8,491,784	-	-	-	8,491,784	6,325,622
Patient service fees	25,844,905	-	-	-	25,844,905	27,429,896
Less: Provision for bad debts	(605,784)	-	-	-	(605,784)	(821,277)
Professional training fees	107,784	-	-	-	107,784	113,271
Endowment assets appropriated for use in operations	4,400,000	-	-	-	4,400,000	4,400,000
Other	1,384,618	-	-	-	1,384,618	409,337
Net assets released from restriction	3,921,383	(1,041,216)	(2,880,167)	-	-	-
Total operating support, grants and revenue	62,003,338	(1,041,216)	533,326	2,250	61,497,698	51,076,010
Expenses						
Program services						
Clinical service programs	35,627,650	-	-	-	35,627,650	34,445,646
Education programs	2,499,307	-	-	-	2,499,307	2,325,017
Public affairs and advocacy	2,293,611	-	-	-	2,293,611	2,283,119
Total program expenses	40,420,568	-	-	-	40,420,568	39,053,782
Supporting services						
Management and general	8,304,831	-	-	-	8,304,831	7,512,354
Development	2,264,232	-	-	-	2,264,232	1,498,044
Total supporting expenses	10,569,063	-	-	-	10,569,063	9,010,398
Membership Payments to Planned Parenthood Federation of America	-	-	-	-	-	496,088
Total expenses	50,989,631	-	-	-	50,989,631	48,560,268
Changes in net assets before non-operating revenue and expenses	11,013,707	(1,041,216)	533,326	2,250	10,508,067	2,515,742
Non-Operating Revenue and Expenses						
Planned Giving, contributions	1,659,378	-	-	-	1,659,378	1,088,215
Planned Giving, expenses	(174,704)	-	-	-	(174,704)	(132,975)
Investment income	417,192	-	2,103,047	-	2,520,239	2,671,396
Appropriation of endowment assets for use in operations	-	-	(4,400,000)	-	(4,400,000)	(4,400,000)
Net realized and unrealized gain on investments, net of fees	1,253,817	-	6,320,442	-	7,574,259	3,207,600
Total non-operating revenue and expenses	3,155,683	-	4,023,489	-	7,179,172	2,434,236
Changes in net assets	14,169,390	(1,041,216)	4,556,815	2,250	17,687,239	4,949,978
Net Assets, Beginning of Year	43,711,090	4,839,558	8,838,096	72,899,952	130,288,696	125,338,718
Net Assets, End of Year	\$ 57,880,480	\$ 3,798,342	\$ 13,394,911	\$ 72,902,202	\$ 147,975,935	\$ 130,288,696

Planned Parenthood of New York City, Inc. and AffiliateConsolidated Statements of Activities and Changes in Net Assets
Year Ended December 31, 2016

	<u>Unrestricted</u>	<u>Board Designated</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Operating Support, Grants and Revenue					
Public support and grants					
Direct contributions	\$ 9,790,038	\$ -	\$ 3,429,123	\$ -	\$ 13,219,161
Grants and contracts	6,325,622	-	-	-	6,325,622
Patient service fees	27,429,896	-	-	-	27,429,896
Less: Provision for bad debts	(821,277)	-	-	-	(821,277)
Professional training fees	113,271	-	-	-	113,271
Endowment assets appropriated for use in operations	4,400,000	-	-	-	4,400,000
Other	409,337	-	-	-	409,337
Net assets released from restriction	3,048,995	(27,467)	(3,021,528)	-	-
Total operating support, grants and revenue	<u>50,695,882</u>	<u>(27,467)</u>	<u>407,595</u>	<u>-</u>	<u>51,076,010</u>
Expenses					
Program services					
Clinical service programs	34,445,646	-	-	-	34,445,646
Education programs	2,325,017	-	-	-	2,325,017
Public affairs and advocacy	2,283,119	-	-	-	2,283,119
Total program expenses	<u>39,053,782</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,053,782</u>
Supporting services					
Management and general	7,512,354	-	-	-	7,512,354
Development	1,498,044	-	-	-	1,498,044
Total supporting expenses	<u>9,010,398</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,010,398</u>
Membership Payments to Planned Parenthood Federation of America	496,088	-	-	-	496,088
Total expenses	<u>48,560,268</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,560,268</u>
Changes in net assets before non-operating revenue and expenses	<u>2,135,614</u>	<u>(27,467)</u>	<u>407,595</u>	<u>-</u>	<u>2,515,742</u>
Non-Operating Revenue and Expenses					
Planned Giving, contributions	1,088,215	-	-	-	1,088,215
Planned Giving, expenses	-	(132,975)	-	-	(132,975)
Investment income	508,420	-	2,162,976	-	2,671,396
Appropriation of endowment assets for use in operations	-	-	(4,400,000)	-	(4,400,000)
Net realized and unrealized gain on investments, net of fees	610,470	-	2,597,130	-	3,207,600
Total non-operating revenue and expenses	<u>2,207,105</u>	<u>(132,975)</u>	<u>360,106</u>	<u>-</u>	<u>2,434,236</u>
Changes in net assets	4,342,719	(160,442)	767,701	-	4,949,978
Net Assets, Beginning of Year	<u>39,368,371</u>	<u>5,000,000</u>	<u>8,070,395</u>	<u>72,899,952</u>	<u>125,338,718</u>
Net Assets, End of Year	<u>\$ 43,711,090</u>	<u>\$ 4,839,558</u>	<u>\$ 8,838,096</u>	<u>\$ 72,899,952</u>	<u>\$ 130,288,696</u>

Planned Parenthood of New York City, Inc. and AffiliateConsolidating Statement of Financial Position
December 31, 2017 and 2016

	Planned Parenthood of New York City	Voice for Choice Action Fund	2017 Consolidated Totals	2016 Consolidated Totals
Assets				
Cash and cash equivalents	\$ 19,199,820	\$ 791,230	\$ 19,991,050	\$ 17,645,199
Short-term investments	588,741	-	588,741	315,445
Patient services receivable, less allowance for doubtful accounts of \$617,091 and \$1,266,855, respectively	2,281,953	-	2,281,953	3,110,624
Pledges receivable	4,104,926	-	4,104,926	3,511,662
Grants receivable	1,575,305	-	1,575,305	1,640,721
Prepaid expenses and other assets	1,333,199	186,684	1,519,883	1,443,106
Long-term investments	109,041,721	-	109,041,721	91,726,730
Property, plant and equipment, net	12,747,492	-	12,747,492	13,888,964
Total assets	\$ 150,873,157	\$ 977,914	\$ 151,851,071	\$ 133,282,451
Liabilities and Net Assets				
Liabilities				
Accounts payable	\$ 1,240,635	\$ 38,405	\$ 1,279,040	\$ 895,293
Accrued expenses	1,432,580	-	1,432,580	1,366,689
Deferred rent	1,137,801	-	1,137,801	729,385
Refundable advances	25,715	-	25,715	2,388
Total liabilities	3,836,731	38,405	3,875,136	2,993,755
Net Assets				
Unrestricted	57,337,638	542,842	57,880,480	43,711,090
Board designated	3,798,342	-	3,798,342	4,839,558
Temporarily restricted	12,998,244	396,667	13,394,911	8,838,096
Permanently restricted	72,902,202	-	72,902,202	72,899,952
Total net assets	147,036,426	939,509	147,975,935	130,288,696
Total liabilities and net assets	\$ 150,873,157	\$ 977,914	\$ 151,851,071	\$ 133,282,451

Planned Parenthood of New York City, Inc. and Affiliate

Consolidating Statement of Activities and Changes in Net Assets
Years Ended December 31, 2017 and 2016

	Planned Parenthood of New York City	Voice for Choice Action Fund	Eliminations	2017 Consolidated Totals	2016 Consolidated Totals
Operating Support, Grants and Revenue					
Public support and grants					
Direct contributions	\$ 21,006,618	\$ 867,773	\$ -	\$ 21,874,391	\$ 13,219,161
Grants and contracts	8,491,021	763	-	8,491,784	6,325,622
Patient service fees	25,844,905	-	-	25,844,905	27,429,896
Less provision for bad debts	(605,784)	-	-	(605,784)	(821,277)
Professional training fees	107,784	-	-	107,784	113,271
Endowment assets appropriated for use in operations	4,400,000	-	-	4,400,000	4,400,000
Other	1,366,089	94,111	(75,582)	1,384,618	409,337
Total operating support, grants and revenue	<u>60,610,633</u>	<u>962,647</u>	<u>(75,582)</u>	<u>61,497,698</u>	<u>51,076,010</u>
Expenses					
Program services					
Clinical service programs	35,627,650	-	-	35,627,650	34,445,646
Education programs	2,499,307	-	-	2,499,307	2,325,017
Public affairs and advocacy	2,212,736	156,457	(75,582)	2,293,611	2,283,119
Total program expenses	<u>40,339,693</u>	<u>156,457</u>	<u>(75,582)</u>	<u>40,420,568</u>	<u>39,053,782</u>
Supporting services					
Management and general	8,304,831	-	-	8,304,831	7,512,354
Development	2,264,232	-	-	2,264,232	1,498,044
Total supporting expenses	<u>10,569,063</u>	<u>-</u>	<u>-</u>	<u>10,569,063</u>	<u>9,010,398</u>
Membership payments to Planned Parenthood Federation of America	-	-	-	-	496,088
Total expenses	<u>50,908,756</u>	<u>156,457</u>	<u>(75,582)</u>	<u>50,989,631</u>	<u>48,560,268</u>
Changes in net assets before non- operating revenue and expenses	<u>9,701,877</u>	<u>806,190</u>	<u>-</u>	<u>10,508,067</u>	<u>2,515,742</u>
Non-Operating Revenue and Expenses					
Planned Giving, contributions	1,659,378	-	-	1,659,378	1,088,215
Planned Giving, expenses	(174,704)	-	-	(174,704)	(132,975)
Investment income	2,520,239	-	-	2,520,239	2,671,396
Appropriation of endowment assets for use in operations	(4,400,000)	-	-	(4,400,000)	(4,400,000)
Net realized and unrealized gains on investments, net of fees	7,574,259	-	-	7,574,259	3,207,600
Total non-operating revenue and expenses	<u>7,179,172</u>	<u>-</u>	<u>-</u>	<u>7,179,172</u>	<u>2,434,236</u>
Changes in net assets	16,881,049	806,190	-	17,687,239	4,949,978
Net Assets, Beginning of Year	<u>130,155,377</u>	<u>133,319</u>	<u>-</u>	<u>130,288,696</u>	<u>125,338,718</u>
Net Assets, End of Year	<u>\$ 147,036,426</u>	<u>\$ 939,509</u>	<u>\$ -</u>	<u>\$ 147,975,935</u>	<u>\$ 130,288,696</u>

PLANNED PARENTHOOD OF GREATER NEW YORK, INC.

PRO FORMA BALANCE SHEET

Proposed as of January 1, 2020

Assets

Current Assets

Cash & Cash Equivalents	19,638,907
Short-term Investments	18,854,286
Accounts Receivable-Net	7,368,136
Grants Receivable	4,729,686
Pledges Receivable	2,369,706
Other Receivables	116,578
Inventories	844,423
Prepaid Expenses	1,387,031
Other Current Assets	757,377

Total Current Assets **\$56,066,130**

Long-term Assets

Investments	109,017,521
Pledges Receivable, net of Current Portion	84,453
Other Long Term Assets	35,455
Property & Equipment	37,446,419

Total Long Term Assets **\$146,583,848**

Total Assets **\$202,649,978**

Liabilities

Short-term Liabilities

Accounts Payable	2,841,017
Payroll Liabilities	1,186,080
Deferred Revenue	427,806
Third Party Liabilities	856,686
Current Portion of Debt	218,865
Notes Payable	337,500
Accrued Expenses	1,538,444
Other Current Liabilities	1,492,275

Total Short-term Liabilities **\$8,898,673**

Long-term Liabilities

Interest Rate Swap Liability	9,128
Deferred Rent	1,545,582
Mortgage Payable - L/T	6,197,358

Total Short-term Liabilities **\$7,752,068**

Total Liabilities **\$16,650,741**

Net Assets

Beginning Net Assets	
Board Designated	18,289,607
Unrestricted Net Assets	76,115,823
Investment in Property, Plant and Equipment	5,581,527
Current YTD Net Income	(203,954)

Total Unrestricted Net Assets **\$99,783,003**

Temporarily Restricted Net Assets 13,303,097

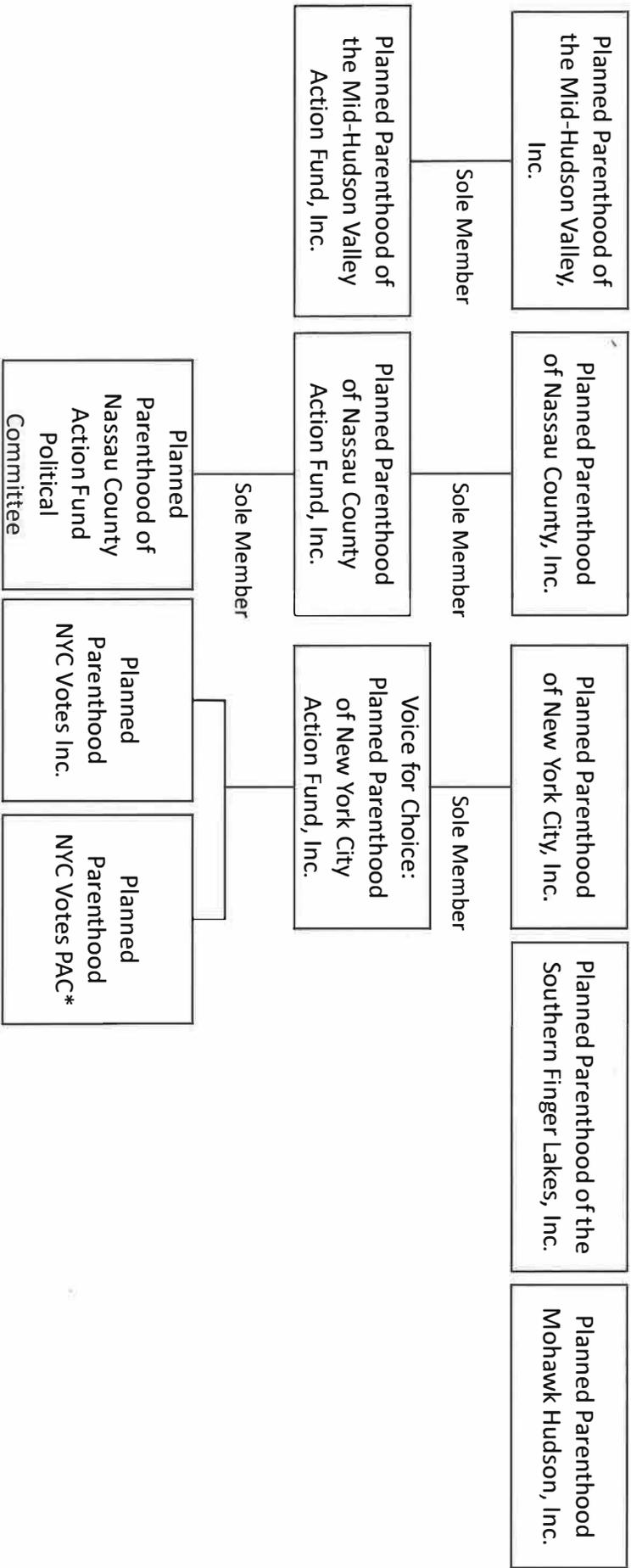
Permanently Restricted Net Assets 72,913,137

Total Net Assets **\$185,999,237**

Total Liabilities and Net Assets **\$202,649,978**

Pre-Merger Structure

Pre-merger, each of the 5 merging affiliates (Planned Parenthood of the Mid-Hudson Valley, Inc., Planned Parenthood of Nassau County, Inc., Planned Parenthood of New York City, Inc., Planned Parenthood of the Southern Finger Lakes, Inc., and Planned Parenthood Mohawk Hudson, Inc.) are separately licensed by the New York State Department of Health as Article 28 D&TC operators with extension clinics, as reflected in Attachment 10.



* Unincorporated entity registered with the New York State Board of Elections and registered with the IRS as a 527 organization

Post-Merger Structure

Post-merger, four of the existing affiliates are merged into the fifth, and the surviving corporation changes its name to Planned Parenthood of Greater New York (formerly Planned Parenthood of New York City, Inc.). Planned Parenthood of Greater New York, Inc. will continue to be the established operator of the main site Article 28 D&TC center located at 26 Bleecker Street in New York, New York, and will expand its extension clinic sites to include those sites currently operated by the 4 merging affiliates.



By operation of law, Planned Parenthood of Greater New York succeeds to all of the assets and liabilities of Planned Parenthood of the Mid-Hudson Valley, Inc., Planned Parenthood of Nassau County, Inc., Planned Parenthood of New York City, Inc., Planned Parenthood of the Southern Finger Lakes, Inc. and Planned Parenthood Mohawk Hudson, Inc., and the separate corporate existence of each merged affiliate ceases.

PLANNED PARENTHOOD OF THE MID-HUDSON VALLEY, INC. AND AFFILIATE

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,012,951	\$ 1,046,058
Investments	2,564,912	1,664,515
Patient services receivable, net of allowances	322,940	355,497
Contracts receivable	520,970	494,727
Pledges receivable, current	69,387	301,374
Prepaid expenses and other current assets	<u>349,767</u>	<u>344,151</u>
Total current assets	4,840,927	4,206,322
PLEDGES RECEIVABLE, NONCURRENT	-	117,651
SECURITY DEPOSIT AND OTHER ASSETS	29,884	31,067
PROPERTY AND EQUIPMENT, NET	<u>1,599,286</u>	<u>1,462,723</u>
	<u>\$ 6,470,097</u>	<u>\$ 5,817,763</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 447,360	\$ 395,647
Accrued compensation	266,432	253,672
Current maturities of long-term debt	<u>33,368</u>	<u>31,594</u>
Total current liabilities	747,160	680,913
LONG-TERM DEBT, net of current maturities	85,320	118,688
OTHER LIABILITIES	<u>260,806</u>	<u>165,056</u>
Total liabilities	<u>1,093,286</u>	<u>964,657</u>
NET ASSETS:		
Unrestricted	5,193,264	4,526,574
Temporarily restricted	<u>183,547</u>	<u>326,532</u>
Total net assets	<u>5,376,811</u>	<u>4,853,106</u>
	<u>\$ 6,470,097</u>	<u>\$ 5,817,763</u>

PLANNED PARENTHOOD OF THE MID-HUDSON VALLEY, INC. AND AFFILIATE

CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
UNRESTRICTED NET ASSETS:		
OPERATING REVENUE AND OTHER SUPPORT:		
Patient service revenue (net of contractual allowances and discounts)	\$ 4,887,909	\$ 4,896,295
Provision for bad debts	<u>(131,281)</u>	<u>(70,558)</u>
Net patient service revenue less provision for bad debts	4,756,628	4,825,737
Contract services	3,112,510	2,726,130
Contributions	1,378,873	872,037
Other	360,701	211,279
Net assets released from restrictions - operating	<u>201,922</u>	<u>267,790</u>
Total operating revenue and other support	<u>9,810,634</u>	<u>8,902,973</u>
OPERATING EXPENSES:		
Salaries	4,679,821	4,276,671
Employee benefits and payroll taxes	1,014,383	926,668
Medical supplies	731,799	805,941
Professional fees	706,381	529,718
Occupancy	601,888	581,738
Other	272,887	227,184
Laboratory fees and outside services	268,158	275,433
Depreciation and amortization	205,905	213,952
Conferences, meetings and travel	193,570	137,921
Maintenance and repairs	172,256	114,591
Affiliation dues	139,827	245,060
Telephone	119,535	115,576
Supplies	113,387	84,846
Medical liability insurance	78,935	101,292
Printing, advertising and marketing	54,351	78,873
Interest expense	7,442	10,767
Contracted services	<u>2,400</u>	<u>2,400</u>
Total operating expenses	<u>9,362,925</u>	<u>8,728,631</u>
Gain from operations	<u>447,709</u>	<u>174,342</u>
OTHER GAINS		
Realized and unrealized gain on investments, net	<u>218,981</u>	<u>50,309</u>
Total excess of revenue over expenses	666,690	224,651
NET ASSETS RELEASED FROM RESTRICTIONS - CAPITAL		
Increase in unrestricted net assets	<u>666,690</u>	<u>314,926</u>
TEMPORARILY RESTRICTED NET ASSETS:		
Temporarily restricted contributions	58,937	354,891
Net assets released from restrictions	<u>(201,922)</u>	<u>(358,065)</u>
Decrease in temporarily restricted net assets	<u>(142,985)</u>	<u>(3,174)</u>
CHANGE IN NET ASSETS	523,705	311,752
TOTAL NET ASSETS:		
Beginning of year	4,853,106	4,541,354
End of year	<u>\$ 5,376,811</u>	<u>\$ 4,853,106</u>

PLANNED PARENTHOOD OF THE MID-HUDSON VALLEY, INC.
Executive Summary Consolidated
December 31, 2018

	Unaudited	
	12/31/2018	12/31/2017
Balance Sheet		
Cash & Cash Equivalents	543,197	969,185
Short-term Investments	2,322,830	2,564,912
Patient Accounts Receivable	322,646	322,940
Grants Receivable	532,668	520,969

	YTD	YTD	YTD	YTD
	Actual	Budget	Variance	Prior Year
Statement of Operations				
Patient Service Revenue	4,862,861	5,373,105	(510,244)	4,756,627
Total Revenue All Sources	9,904,069	10,172,966	(268,897)	9,782,986
Salaries & Fringes	6,115,317	6,276,037	160,720	5,657,804
All Other Operating Expenses	4,019,361	3,895,400	(123,961)	3,695,606
Change in Net Assets	(457,710)	1,529	(459,239)	429,576

	YTD	YTD	YTD	YTD
	Actual	Budget	Variance	Prior Year
Utilization				
Family Planning	18,363	18,427	(64)	16,293
Abortion Medical	1,440	1,930	(490)	1,911
Abortion In Clinic	1,258	1,122	136	1,145
Total Visits	21,061	21,479	(418)	19,349

PLANNED PARENTHOOD OF THE MID-HUDSON VALLEY, INC.
 Consolidated Balance Sheet
 Comparative 2018 and 2017

	December 31, 2018	Unaudited December 31, 2017
Assets		
Current Assets		
Cash & Cash Equivalents	543,197	969,185
Short-term Investments	2,322,830	2,564,912
Patient Accounts Receivable	322,646	322,940
Third Party Rate Receivable	-	-
Grants Receivable	532,668	520,969
Pledges Receivable	370,790	69,387
Inventories	159,255	200,882
Prepaid Expenses	167,936	45,740
Other Current Assets	70,370	99,602
Total Current Assets	4,489,692	4,793,617
Long-term Assets		
Pledges Receivable, net of Current Portion	50,000	
Other Long Term Assets	28,701	29,885
Property & Equipment	1,577,011	1,599,286
Total Assets	6,145,404	6,422,788
Liabilities		
Short-term Liabilities		
Accounts Payable	491,149	408,419
Payroll Liabilities	339,109	305,374
Deferred Revenue	91,762	212,598
Current Portion of Debt	35,142	31,594
Notes Payable	-	-
Total Short-term Liabilities	957,162	957,985
Long-term Liabilities		
Deferred Rent	44,353	48,207
Long Term Debt	50,202	87,093
Total Liabilities	1,051,717	1,093,285
Net Assets		
Beginning Net Assets		4,506,816
Unrestricted Net Assets	5,145,956	639,140
Current YTD Net Income	(457,710)	-
Total Unrestricted Net Assets	4,688,246	5,145,956
Total Temporarily Restricted Net Assets	405,441	183,547
Total Net Assets	5,093,687	5,329,503
Total Liabilities and Net Assets	6,145,404	6,422,788

PLANNED PARENTHOOD OF THE MID-HUDSON VALLEY, INC.
Consolidated Statement of Operations
December 31, 2018

7.32.023

	Monthly Operations			Year to Date Operations			
	Actual	Budget	Fav/(Unfav) Variance	Actual	Budget	Fav/(Unfav) Variance	Prior Year
Revenue							
Patient Service Revenue (Net of Bad Debt)	405,423	412,352	(6,929)	4,862,861	5,373,105	(510,244)	4,756,627
Grants	260,465	232,967	27,498	3,169,841	2,995,575	174,266	3,114,971
Donations	259,547	319,250	(59,703)	1,134,670	1,250,000	(115,330)	1,347,127
Other Operating Revenue	76,065	54,147	21,918	524,798	369,286	155,512	362,340
Net Assets Released from Restrictions for Operating	17,511	15,424	2,087	211,899	185,000	26,899	201,921
Total Revenue	1,019,011	1,034,140	(15,129)	9,904,069	10,172,966	(268,897)	9,782,986
Expenses							
Salary & Wages	434,331	440,400	6,069	4,998,965	5,185,504	(186,539)	4,676,031
Staff Agency Fees	2,741	-	(2,741)	55,594	-	(55,594)	17,290
Total Salary and Staffing	437,072	440,400	3,328	5,054,559	5,185,504	(130,945)	4,693,321
Employee Benefits	81,307	91,553	10,246	1,116,352	1,090,533	(25,819)	981,773
Professional Fees	64,448	43,073	(21,375)	683,177	513,554	(169,623)	657,041
Contracted Services	33,131	14,300	(18,831)	138,071	171,312	33,241	83,633
Medical Supplies	28,661	35,944	7,283	388,774	472,146	83,372	434,708
Contraceptives	45,645	47,868	2,223	551,351	628,223	76,872	531,165
Non Medical Supplies	15,475	11,548	(3,927)	109,985	136,638	26,653	95,406
Purchased Services	19,220	17,655	(1,565)	234,511	199,719	(34,792)	213,138
Travel	14,989	15,209	220	162,111	179,287	17,176	159,039
Occupancy Expense	46,890	46,649	(241)	527,040	560,624	33,584	528,828
Utilities & Communications	32,321	22,747	(9,574)	313,202	273,118	(40,084)	290,257
Insurance	9,740	8,367	(1,373)	117,156	100,382	(16,774)	100,905
Dues	14,826	6,015	(8,811)	147,348	72,202	(75,146)	139,828
Staff Training & Education	209	1,584	1,375	10,386	24,144	13,758	11,758
Other	27,430	24,390	(3,040)	319,332	343,007	23,675	219,267
Interest	423	476	53	6,177	5,668	(509)	7,442
Total Expenses	871,787	827,778	(44,009)	9,879,532	9,956,061	76,529	9,147,509
Excess (Deficiency) from Operations	147,224	206,362	(59,138)	24,537	216,905	(192,368)	635,477
Depreciation & Amortization	40,117	17,948	(22,169)	255,146	215,376	(39,770)	205,901
Unrealized Gains (Losses)	(130,593)	-	(130,593)	(227,101)	-	(227,101)	217,341
Net Assets Released from Restrictions for Capital Accounts	-	-	-	-	-	-	-
Change in Unrestricted Net Assets	(23,486)	188,414	(211,900)	(457,710)	1,529	(459,239)	646,917
Temporarily Restricted Net Assets							
Contributions for a specific program	(1,681)	-	(1,681)	433,792	-	433,792	58,937
Net assets released from restrictions	(17,511)	-	(17,511)	(211,899)	-	(211,899)	(201,921)
Change in Net Assets	(42,678)	188,414	(231,092)	(235,817)	1,529	(237,346)	503,933

PLANNED PARENTHOOD MOHAWK HUDSON, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2017

(With Comparative Totals for 2016)

	<u>2017</u>	<u>2016</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ 2,001,067	\$ 3,369,880
Accounts receivable, net	2,718,031	1,622,334
Promises to give	-	50,430
Inventory	247,910	223,095
Prepaid expenses	<u>13,506</u>	<u>40,060</u>
Total current assets	4,980,514	5,305,799
INVESTMENTS	1,632,731	1,414,925
PROPERTY AND EQUIPMENT, net	9,452,166	9,211,291
OTHER NON-CURRENT ASSETS	<u>18,784</u>	<u>20,302</u>
	<u>\$ 16,084,195</u>	<u>\$ 15,952,317</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Current portion of long-term debt	\$ 282,899	\$ 2,335,517
Accounts payable	491,478	320,173
Accrued expenses and other liabilities	440,963	692,829
Estimated liability for compensated absences	207,029	220,226
Deferred income	<u>6,376</u>	<u>111,562</u>
Total current liabilities	1,428,745	3,680,307
INTEREST RATE SWAP LIABILITY	9,128	71,261
LONG-TERM DEBT, net of current portion	<u>4,846,951</u>	<u>2,283,219</u>
Total liabilities	<u>6,284,824</u>	<u>6,034,787</u>
NET ASSETS:		
Unrestricted -		
Designated by Board for endowment purposes	1,707,444	1,454,271
Undesignated	<u>7,930,870</u>	<u>8,334,661</u>
Total unrestricted	9,638,314	9,788,932
Temporarily restricted	150,559	118,100
Permanently restricted	<u>10,498</u>	<u>10,498</u>
Total net assets	<u>9,799,371</u>	<u>9,917,530</u>
	<u>\$ 16,084,195</u>	<u>\$ 15,952,317</u>

**Project # 191245
BFA Attachment E
(Cont.)**

PLANNED PARENTHOOD MOHAWK HUDSON, INC.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017**
(With Comparative Totals for 2016)

	Unrestricted	Temporarily Restricted	Permanently Restricted	2017	2016
PUBLIC SUPPORT AND REVENUE:					
Public Support:					
State and county grants	\$ 4,200,415	-	-	\$ 4,200,415	\$ 4,464,134
Contributions	819,516	37,176	-	856,692	797,982
Foundation grants	434,152	-	-	434,152	208,488
Total public support	<u>5,454,083</u>	<u>37,176</u>	-	<u>5,491,259</u>	<u>5,470,604</u>
Revenue:					
Net patient service revenue	8,162,137	-	-	8,162,137	8,610,114
Investment income	263,389	-	-	263,389	102,322
Miscellaneous income	860,331	-	-	860,331	411,431
Total revenue	<u>9,285,857</u>	-	-	<u>9,285,857</u>	<u>9,123,867</u>
Net assets released from restrictions	<u>4,717</u>	<u>(4,717)</u>	-	-	-
Total support and revenue	<u>14,744,657</u>	<u>32,459</u>	-	<u>14,777,116</u>	<u>14,594,471</u>
EXPENSES:					
Program services	12,279,182	-	-	12,279,182	11,887,184
Management and general	2,309,908	-	-	2,309,908	1,920,693
Fundraising	368,318	-	-	368,318	463,814
Total expenses	<u>14,957,408</u>	-	-	<u>14,957,408</u>	<u>14,271,691</u>
CHANGE IN NET ASSETS BEFORE CHANGES IN FAIR VALUE OF INTEREST RATE SWAP	<u>(212,751)</u>	<u>32,459</u>	-	<u>(180,292)</u>	<u>322,780</u>
CHANGE IN FAIR VALUE OF INTEREST RATE SWAP	<u>62,133</u>	-	-	<u>62,133</u>	<u>80,154</u>
CHANGE IN NET ASSETS	<u>(150,618)</u>	<u>32,459</u>	-	<u>(118,159)</u>	<u>402,934</u>
NET ASSETS - beginning of year	<u>9,788,932</u>	<u>118,100</u>	<u>10,498</u>	<u>9,917,530</u>	<u>9,514,596</u>
NET ASSETS - end of year	<u>\$ 9,638,314</u>	<u>\$ 150,559</u>	<u>\$ 10,498</u>	<u>\$ 9,799,371</u>	<u>\$ 9,917,530</u>

PLANNED PARENTHOOD MOHAWK HUDSON
Executive Summary Consolidated
December 31, 2018

	Audited	
	12/31/2018	12/31/2017
Balance Sheet		
Cash & Cash Equivalents	2,377,597	1,868,541
Short-term Investments	154,807	132,524
Patient Accounts Receivable	632,965	664,223
Grants Receivable	1,707,717	2,053,808

	YTD	YTD	YTD	YTD Prior
	Actual	Budget	Variance	Year
Statement of Operations				
Patient Service Revenue	8,175,496	9,354,441	(1,178,945)	7,982,143
Total Revenue All Sources	15,269,089	15,881,277	(612,188)	14,240,776
Salaries & Fringes	9,909,230	9,960,861	51,631	9,314,949
All Other Operating Expenses	5,302,635	5,142,520	(160,115)	5,464,453
Change in Net Assets	(106,365)	842,897	(949,262)	(538,626)

	YTD	YTD	YTD	YTD Prior
	Actual	Budget	Variance	Year
Utilization				
Family Planning	34,844	37,685	(2,841)	35,415
Trans/Primary Care	1,407	2,838	(1,431)	777
Abortion Medical	1,935	2,009	(74)	1,957
Abortion In Clinic	1,631	1,922	(291)	1,809
Total Visits	39,817	44,454	(4,637)	39,958

PLANNED PARENTHOOD MOHAWK HUDSON, INC.
Consolidated Balance Sheet
Comparative 2018 and 2017

Project # 191245
BFA Attachment E
(Cont.)

	Audited	
	December 31, 2018	December 31, 2017
Assets		
Current Assets		
Cash & Cash Equivalents	2,377,597	1,868,541
Short-term Investments	154,807	132,524
Patient Accounts Receivable	632,965	664,223
Third Party Rate Receivable	882,749	
Grants Receivable	1,707,717	2,053,808
Pledges Receivable	101,479	-
Inventories	190,802	247,910
Prepaid Expenses	55,561	13,506
Other Current Assets	-	-
Total Current Assets	6,103,677	4,980,512
Long-term Assets		
Investments	1,520,433	1,632,730
Pledges Receivable, net of Current Portion	10,986	10,986
Other Long Term Assets	7,049	7,795
Property & Equipment	8,739,166	9,452,166
Total Assets	16,381,311	16,084,189
Liabilities		
Short-term Liabilities		
Accounts Payable	285,172	585,817
Payroll Liabilities	602,758	553,652
Deferred Revenue	4,491	6,376
Third Party Liabilities	798,983	-
Current Portion of Debt	126,984	215,170
Notes Payable	-	-
Total Short-term Liabilities	1,818,388	1,361,015
Long-term Liabilities		
Interest Rate Swap Liability	9,128	9,128
Deferred Rent	-	-
Mortgage Payable - L/T	4,782,687	4,914,679
Total Liabilities	6,610,203	6,284,822
Net Assets		
Beginning Net Assets		
Board Designated	1,509,935	1,622,232
Unrestricted Net Assets	7,995,469	8,166,700
Current YTD Net Income	(106,365)	(283,528)
Total Unrestricted Net Assets	9,399,039	9,505,404
Temporarily Restricted Net Assets	361,571	283,465
Permanently Restricted Net Assets	10,498	10,498
Total Net Assets	9,771,108	9,799,367
Total Liabilities and Net Assets	16,381,311	16,084,189

PLANNED PARENTHOOD MOHAWK HUDSON, INC.
Consolidated Statement of Operations
December 31, 2018

	Monthly Operations			Year to Date Operations			
	Actual	Budget	Fav (Unfav) Variance	Actual	Budget	Fav (Unfav) Variance	Prior Year
Revenue							
Patient Service Revenue (Net of Bad Debt)	592,333	746,361	(154,028)	8,175,496	9,354,441	(1,178,945)	7,982,143
Grants	351,681	381,812	(30,131)	4,504,139	4,495,541	8,598	4,634,569
Donations	220,025	89,176	130,849	821,510	1,000,000	(178,490)	693,219
Other Operating Income	48,979	87,586	(38,607)	1,767,944	1,031,295	736,649	930,545
Net Assets Released from Restrictions for Operating	-	-	-	-	-	-	-
Total Revenue	1,213,018	1,304,935	(91,917)	15,269,089	15,881,277	(612,188)	14,240,776
Expenses							
Salary & Wages	704,677	730,805	26,128	8,513,850	8,604,674	90,824	7,979,699
Staffing Agency Fees	-	-	-	-	-	-	-
Total Salary and Staffing	704,677	730,805	26,128	8,513,850	8,604,674	90,824	7,979,699
Employee Benefits	100,910	115,185	14,275	1,395,380	1,356,187	(39,193)	1,335,250
Professional Fees	46,676	10,618	(36,058)	358,063	124,999	(233,064)	144,760
Contracted Services	119,857	80,821	(39,036)	1,044,868	951,570	(93,298)	1,282,428
Medical Supplies	27,651	38,566	10,915	330,111	490,000	159,889	350,441
Contraceptives	95,717	74,768	(20,949)	753,179	950,000	196,821	799,036
Non Medical Supplies	10,684	6,344	(4,340)	91,940	74,698	(17,242)	79,280
Purchased Services	5,875	2,378	(3,497)	47,264	27,998	(19,266)	36,671
Travel	15,846	10,910	(4,936)	195,594	128,500	(67,094)	186,885
Occupancy Expense	32,942	34,097	1,155	453,734	401,497	(52,237)	404,264
Utilities & Communications	29,152	27,579	(1,573)	315,424	324,730	9,306	320,922
Insurance	16,198	21,487	5,289	187,165	253,003	65,838	186,524
Dues	12,146	18,568	6,422	145,752	218,623	72,871	145,752
Staff Training & Education	10,612	4,244	(6,368)	88,776	50,002	(38,774)	64,751
Other	(1,622)	27,815	29,437	268,611	327,500	58,889	509,221
Interest	19,616	20,111	495	243,772	236,800	(6,972)	231,503
Total Expenses	1,246,937	1,224,296	(22,641)	14,433,483	14,520,781	87,298	14,059,387
Excess (Deficiency) from Operations	(33,919)	80,639	(114,558)	835,606	1,360,496	(524,890)	181,389
Depreciation & Amortization	72,151	49,481	(22,670)	778,382	582,600	(195,782)	720,015
Total Unrealized Gains (Losses)	(143,527)	5,521	(149,048)	(163,589)	65,001	(228,590)	192,865
Change in Fair Value of Interest Rate Swap	-	-	-	-	-	-	62,133
Net Assets Released from Restrictions for Capital Accounts	-	-	-	-	-	-	-
Change in Unrestricted Net Assets	(249,597)	36,679	(286,276)	(106,365)	842,897	(949,262)	(283,528)
Temporarily Restricted Net Assets							
Contributions for a specific program	10,025	-	10,025	78,106	-	78,106	165,365
Net assets released from restrictions	-	-	-	-	-	-	-
Change in Net Assets	(239,572)	36,679	(276,251)	(28,259)	842,897	(871,156)	(118,163)

PLANNED PARENTHOOD MOHAWK HUDSON, INC.
Consolidated Balance Sheet
Comparative 2018 and 2017

Project # 191245
BFA Attachment E
(Cont.)

	Audited	
	December 31, 2018	December 31, 2017
Assets		
Current Assets		
Cash & Cash Equivalents	2,377,597	1,868,541
Short-term Investments	154,807	132,524
Patient Accounts Receivable	632,965	664,223
Third Party Rate Receivable	882,749	2,053,808
Grants Receivable	1,707,717	
Pledges Receivable	101,479	-
Inventories	190,802	247,910
Prepaid Expenses	55,561	13,506
Other Current Assets	-	-
Total Current Assets	6,103,677	4,980,512
Long-term Assets		
Investments	1,520,433	1,632,730
Pledges Receivable, net of Current Portion	10,986	10,986
Other Long Term Assets	7,049	7,795
Property & Equipment	8,739,166	9,452,166
Total Assets	16,381,311	16,084,189
Liabilities		
Short-term Liabilities		
Accounts Payable	285,172	585,817
Payroll Liabilities	602,758	553,652
Deferred Revenue	4,491	6,376
Third Party Liabilities	798,983	-
Current Portion of Debt	126,984	215,170
Notes Payable	-	-
Total Short-term Liabilities	1,818,388	1,361,015
Long-term Liabilities		
Interest Rate Swap Liability	9,128	9,128
Deferred Rent	-	-
Mortgage Payable - L/T	4,782,687	4,914,679
Total Liabilities	6,610,203	6,284,822
Net Assets		
Beginning Net Assets		
Board Designated	1,509,935	1,622,232
Unrestricted Net Assets	7,995,469	8,166,700
Current YTD Net Income	(106,365)	(283,528)
Total Unrestricted Net Assets	9,399,039	9,505,404
Temporarily Restricted Net Assets	361,571	283,465
Permanently Restricted Net Assets	10,498	10,498
Total Net Assets	9,771,108	9,799,367
Total Liabilities and Net Assets	16,381,311	16,084,189

**PLANNED PARENTHOOD OF NASSAU COUNTY, INC.
AND RELATED ORGANIZATION**

CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2017

(With Summarized Financial Information for December 31, 2016)

	<u>2017</u>	<u>2016</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,184,513	\$ 759,564
Investments - operating	1,684,953	1,957,041
Accounts receivable (net of allowance of \$75,000 in 2017 and 2016)	391,421	236,803
Contract receivable	126,650	
Due from government agencies	404,393	650,441
Contributions receivable - current	215,258	120,481
Accrued interest receivable	39,500	32,595
Inventories and other current assets	<u>373,605</u>	<u>278,861</u>
Total current assets	<u>4,420,293</u>	<u>4,035,786</u>
Other assets		
Investments		
Board designated	12,584,607	11,203,551
Endowment	<u>1,565,337</u>	<u>1,576,206</u>
Total investments	14,149,944	12,779,757
Property, plant and equipment - net	5,560,876	5,126,254
Beneficial interest	<u>52,158</u>	<u>53,042</u>
Total other assets	<u>19,762,978</u>	<u>17,959,053</u>
Total assets	<u>\$ 24,183,271</u>	<u>\$ 21,994,839</u>

**PLANNED PARENTHOOD OF NASSAU COUNTY, INC.
AND RELATED ORGANIZATION**

CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2017

(With Summarized Financial Information for December 31, 2016)

	<u>2017</u>	<u>2016</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 799,691	\$ 670,242
Refundable advances	<u>143,591</u>	<u>129,896</u>
Total liabilities	<u>943,282</u>	<u>800,138</u>
Net assets		
Unrestricted		
Operating	3,331,351	3,031,085
Investment in property, plant and equipment	5,560,876	5,126,254
Board designated	<u>12,584,607</u>	<u>11,203,551</u>
Total unrestricted	21,476,834	19,360,890
Temporarily restricted	263,155	333,811
Permanently restricted	<u>1,500,000</u>	<u>1,500,000</u>
Total net assets	<u>23,239,989</u>	<u>21,194,701</u>
Total liabilities and net assets	<u>\$ 24,183,271</u>	<u>\$ 21,994,839</u>

**PLANNED PARENTHOOD OF NASSAU COUNTY, INC.
 AND RELATED ORGANIZATION**

CONSOLIDATED STATEMENT OF ACTIVITIES

**YEAR ENDED DECEMBER 31, 2017
 (With Summarized Financial Information
 for the Year Ended December 31, 2016)**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	
				2017	2016
Operating revenues and other support					
Patient service revenues (net of contractual allowances and discounts)	\$ 4,616,926			\$ 4,616,926	\$ 4,457,675
Provision for bad debt	(41,869)			(41,869)	(24,533)
Net patient service revenues less provision for bad debt	4,575,057			4,575,057	4,433,142
Government agencies					
Contract revenue	1,847,747			1,847,747	2,094,950
Net assets released from restrictions	519,897			519,897	258,150
Satisfaction of program restrictions	238,279	\$ (238,279)			
Total operating revenues and other support	7,180,980	(238,279)		6,942,701	6,786,242
Operating expenses					
Program services	6,082,442			6,082,442	5,577,358
Health centers	1,047,052			1,047,052	924,334
Education	474,658			474,658	392,020
Public affairs and marketing					
Total program services	7,604,152			7,604,152	6,893,712
Supporting services					
Administration	1,056,826			1,056,826	941,135
Total operating expenses	8,660,978			8,660,978	7,834,847

**PLANNED PARENTHOOD OF NASSAU COUNTY, INC.
 AND RELATED ORGANIZATION**

CONSOLIDATED STATEMENT OF ACTIVITIES

**YEAR ENDED DECEMBER 31, 2017
 (With Summarized Financial Information
 for the Year Ended December 31, 2016)**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	
				2017	2016
Change in net assets from operations	\$ (1,479,998)	\$ (238,279)		\$ (1,718,277)	\$ (1,048,605)
Nonoperating revenues and expenses					
Contributions	2,202,293	230,200		2,432,493	2,321,595
Contributed services	55,784			55,784	77,767
Special events	524,023			524,023	356,613
Direct costs of special events	(150,454)			(150,454)	(107,030)
Development expenses	(388,171)			(388,171)	(391,422)
Investment income - net	1,046,442	115,131		1,161,573	691,856
Rental income	109,033			109,033	105,557
Rental expense	(49,448)			(49,448)	(34,068)
Change in value of beneficial interest		(884)		(884)	
Other income	69,616			69,616	104,649
Net assets released from restrictions					
Satisfaction of program restrictions	176,824	(176,824)			
Total nonoperating revenues and expenses	3,595,942	167,623		3,763,565	3,125,517
Change in net assets	2,115,944	(70,656)		2,045,288	2,076,912
Net assets - beginning of year	19,360,890	333,811	\$ 1,500,000	21,194,701	19,117,789
Net assets - end of year	\$ 21,476,834	\$ 263,155	\$ 1,500,000	\$ 23,239,989	\$ 21,194,701

PLANNED PARENTHOOD OF NASSAU COUNTY, INC.

BALANCE SHEET
December 31, 2018

A B C D E F
ASSETS December 31, 2017 November 30, 2018 Changes from Prior Month December 31, 2018 Changes from Prior Year Notes

98	Cash and Money Market Account	1,083,509	272,627	72,942	345,569	(737,940)	98
99	Operating Funds Account	258,086	-	-	-	(258,086)	99
100	Operating Investments	1,276,867	1,770,149	10,140	1,780,289	503,422	100
101	Subtotal Operating Account	2,618,462	2,042,776	83,082	2,125,858	(492,604)	101
102	First Capital Account:						102
103	Stocks, Bonds, Other	11,410,034	11,109,334	(316,661)	10,792,673	(617,361)	103
104	Hedge Funds	1,165,418	1,197,392	(37,337)	1,160,055	(5,363)	104
105	Fund for the Future	1,714,103	1,706,307	(51,879)	1,654,428	(59,675)	105
106	Subtotal First Capital Account	14,289,555	14,013,033	(405,877)	13,607,156	(682,399)	106
107							107
108	Escrow Account: Security Deposits & RE Taxes	67,640	67,640	-	67,640	-	108
109	Accounts Receivable	465,708	568,700	(18,901)	539,799	74,091	109
110	Allowance for Doubtful Accounts	(75,000)	(75,000)	-	(75,000)	-	110
111	Due from Government Agencies	607,826	432,826	163,845	596,670	(11,156)	111
112	Contributions/Pledges/DSRIP Receivable	212,876	247,409	35,974	283,383	70,507	112
113	Contributions Receivable from Life Income Gift	53,042	52,158	(13,694)	38,464	(14,578)	113
114	Accrued Interest Receivable	32,595	39,500	-	39,500	6,905	114
115	Other Receivables	56,986	59,681	142	59,823	2,837	115
116	Inventories and Prepaid Expenses	302,831	267,424	86,014	353,438	50,607	116
117	Property, Plant and Equipment (net of accumulated depreciation)	5,566,805	5,642,031	8,068	5,650,099	84,294	117
118	TOTAL ASSETS	24,198,326	23,348,177	(61,347)	23,286,830	(911,496)	118
	LIABILITIES AND NET ASSETS						
	Liabilities						
119	Accounts Payable and Accrued Expenses	754,348	725,567	(159,764)	565,803	(188,545)	119
120	Due to/from Third Parties	8,620	40,398	2,432	42,830	34,210	120
121	Refundable Advances	153,507	126,726	-	126,726	(26,781)	121
122	Total Liabilities	916,475	892,691	(157,332)	735,359	(181,116)	122
	Net Assets						
123	Operating/Temporarily Restricted	3,426,491	2,800,422	493,794	3,294,216	(132,275)	123
124	Investment in Property, Plant and Equipment	5,565,805	5,642,031	8,068	5,650,099	84,294	124
125	Board Designated and Fund for the Future	14,289,555	14,013,033	(405,877)	13,607,156	(682,399)	125
126	Total Net Assets	23,281,851	22,455,486	95,985	22,551,471	(730,380)	126
127	TOTAL LIABILITIES AND NET ASSETS	24,198,326	23,348,177	(61,347)	23,286,830	(911,496)	127
	Days/Cash:						
	Total Expenses					9,520,752	
	Days/in					365	
	Total Cash and Investments less Fund for the Future					26,084	
	Days/in cash					14,078,586	
128						540	128

IOD 01

PROFIT AND LOSS STATEMENT
For the Period Ended December 31, 2018

Line	A	B	C	D	E	F	G	H	I		J	K	L	M
									2017 Actual	2018 Actual				
Expenses														
1	Salaries	549,744	473,969	413,076	(60,893)	-15%	5,035,561	5,305,732	(270,171)	5,133,941	(171,791)	-3%	5,133,941	1
2	Payroll Taxes and Insurances	39,479	36,541	35,221	(1,320)	-4%	426,162	440,911	(14,749)	437,747	(3,164)	-1%	437,747	2
3	Health Insurance	55,845	72,222	68,750	(3,472)	-5%	821,956	821,916	(40)	825,000	3,804	0%	825,000	3
4	401K Plan	16,309	15,222	13,276	(1,946)	-15%	118,250	177,013	(58,763)	165,000	(12,013)	-7%	165,000	4
5	Salaries & Benefits Subtotal	661,377	597,954	530,323	(67,631)	-13%	6,292,920	6,744,852	(452,023)	6,561,688	(183,164)	-3%	6,561,688	5
6	Professional Fees	102,288	127,232	45,544	(81,688)	-73%	538,260	501,927	(36,333)	527,210	(10,050)	-2%	527,210	6
7	Pharmaceuticals	66,038	50,570	59,712	9,142	15%	722,599	796,658	(74,059)	755,419	(41,239)	-5%	755,419	7
8	Lab Fees	9,445	6,154	6,875	721	10%	84,592	98,536	(13,944)	82,500	(6,036)	-7%	82,500	8
9	National and State Dues	7,641	8,863	16,121	7,258	45%	97,178	99,557	(2,379)	148,222	48,665	33%	148,222	9
10	Malpractice Insurance	6,978	7,429	7,335	(94)	-1%	83,733	89,146	(5,413)	88,020	(1,116)	-1%	88,020	10
11	Other Insurance	4,101	4,269	4,394	125	3%	49,487	50,655	(1,168)	52,731	2,076	4%	52,731	11
12	Special Functions	2,938	(2,388)	-	238	0%	150,453	176,489	(26,036)	173,500	(2,989)	-2%	173,500	12
13	Telephone and Internet	6,515	7,280	6,591	(689)	-10%	76,500	79,957	(3,457)	79,092	(865)	-1%	79,092	13
14	Office Supplies	5,164	5,409	3,010	(2,399)	-47%	40,311	42,908	(2,597)	39,500	(3,408)	-8%	39,500	14
15	Printing and Advertising	5,495	3,745	6,779	1,284	23%	28,719	24,607	4,112	24,365	(242)	-1%	24,365	15
16	Postage	1,705	12,222	2,665	1,690	63%	18,139	14,575	3,564	16,778	2,203	13%	16,778	16
17	Repairs and Maintenance	29,551	35,421	32,685	(2,736)	-8%	340,297	363,523	(22,226)	340,307	(3,216)	-1%	340,306	17
18	PP/Online	1,331	1,334	1,333	(1)	0%	16,000	16,000	-	16,000	-	0%	16,000	18
19	Patient Recruitment-Print/Advert.	3,121	3,650	14,000	10,350	74%	116,709	104,928	11,781	115,000	10,072	9%	115,000	19
20	Conferences and Meetings	(241)	2,795	(1,295)	(86)	-8%	30,533	41,212	(10,659)	29,190	(4,422)	-14%	29,190	20
21	Hospitality	4,559	5,356	5,300	(56)	-1%	32,678	33,418	(740)	29,000	(4,418)	-15%	29,000	21
22	Miscellaneous	14,127	8,641	6,855	(1,786)	-26%	89,689	78,173	11,796	67,275	(10,898)	-16%	67,275	22
23	Staff Travel	1,840	1,860	2,350	490	21%	25,403	25,592	(189)	27,750	2,158	8%	27,750	23
24	Educational Supplies	4,744	2,153	995	(1,188)	-25%	14,304	11,207	2,997	11,900	693	6%	11,900	24
25	Medical/Grant Denials	15,000	15,000	23,000	8,000	35%	41,869	16,984	24,885	26,000	9,016	35%	26,000	25
26	Educational Grant - Action Fund	-	-	41,000	41,000	100%	40,000	-	40,000	41,000	1,000	100%	41,000	26
27	Real Estate Tax Expense	4,154	4,154	4,154	-	0%	49,848	49,848	(400)	49,848	-	0%	49,848	27
28	Restricted Expenses	36,090	-	26,090	-	0%	-	-	26,090	-	-	0%	-	28
29	OTPS Subtotal	289,167	188,802	819,490	100,364	35%	2,713,519	2,775,900	(62,149)	2,740,608	(35,293)	-1%	2,740,606	29
30	Total Expenses	1,012,114	786,756	819,490	32,733	4%	9,006,580	9,250,752	(514,172)	9,302,296	(218,457)	-2%	9,302,294	30
31	Fee for Services and Grants Revenue	398,157	391,998	395,156	(3,188)	-1%	4,616,921	5,052,873	435,952	4,753,840	299,033	6%	4,753,840	31
32	Fee for Services	72,998	115,661	190,137	(74,476)	-39%	1,188,802	1,137,779	(50,223)	1,190,732	(62,953)	-4%	1,190,732	32
33	Family Planning Grant	471,155	507,659	585,292	(77,633)	-13%	5,805,923	6,190,652	385,729	5,944,572	246,080	4%	5,944,572	33
34	Total Health Center	60,938	51,437	77,953	(26,516)	-43%	659,745	667,068	(7,333)	665,767	1,301	0%	665,767	34
35	Other Government Funding	532,093	559,096	663,246	(104,150)	-16%	6,464,668	6,866,220	401,552	6,610,339	255,881	4%	6,610,339	35
36	Total Operating Revenue (Ref:Pg 2 line 92)	(480,021)	(227,660)	(156,244)	(71,416)	46%	(2,541,912)	(2,654,533)	(112,620)	(2,691,957)	37,425	-1%	(2,691,955)	36
37	Operating (Deficit)/Surplus (line 36 minus line 30)													37
Endorsing and Miscellaneous Income														
38	Honorarium Income	6,972	182	200	(18)	-9%	3,045	2,660	(385)	2,500	160	6%	2,500	38
39	Interest Income	42,668	435,972	477,900	(41,928)	-9%	8,903	2,639	(6,264)	2,300	339	15%	2,300	39
40	Contributions and Event Income	-	35,047	-	35,047	0%	675,000	1,622,374	(233,179)	1,300,000	322,374	25%	1,300,000	40
41	Special Gift	55,940	101,630	1,425	100,205	7032%	72,907	179,665	106,758	298,595	162,815	96%	298,595	41
42	Miscellaneous Income	9,096	4,154	4,154	-	0%	109,153	109,129	(24)	109,153	(24)	0%	109,153	42
43	Rental Income	149,693	154,424	105,700	(48,724)	-46%	390,241	-	(390,241)	49,848	-	0%	49,848	43
44	Real Estate Tax Income	52,650	740,505	598,725	(141,780)	-24%	519,997	469,324	(50,573)	564,300	(94,976)	-17%	564,300	44
45	PPFA Dist/Restricted Income	705,954	740,505	598,725	(141,780)	-24%	3,684,647	2,809,250	(875,397)	2,343,546	465,704	20%	2,343,546	45
46	DSRIF/NUAC Income	225,173	512,845	442,481	(70,364)	-14%	1,142,735	154,718	(988,017)	(348,411)	503,129	31%	503,129	46
47	Total Fundraising and Miscellaneous Income													47
48	Operating Surplus/(Deficit) after Fundr. & Misc Inc (line 37 plus 47)													48
Other Income														
49	Interest and Income from Investments	93,116	116,440	69,856	46,584	67%	453,704	487,852	34,148	372,000	115,852	31%	372,000	49
50	Realized Gains from Investments	-	-	-	-	0%	-	-	-	-	-	0%	-	50
51	Designated Program Gifts	-	-	-	-	0%	-	-	-	-	-	0%	-	51
52	Total Other Income	93,116	116,440	69,856	46,584	67%	453,704	487,852	34,148	372,000	115,852	31%	372,000	52
53	Net Operating Surplus/(Deficit) (line 49 plus line 51)	318,289	629,285	512,237	116,648	37%	1,596,309	642,570	(953,869)	23,899	618,981	-1%	23,899	53
54	Building Depreciation	35,565	17,844	17,234	(610)	-1%	208,200	235,803	27,283	212,812	(22,991)	-11%	132,587	54
55	Equipment Depreciation	(53,578)	1,687	1,132	9,445	85%	113,377	111,915	(1,462)	133,587	21,672	16%	133,587	55
56	Total Building/Equipment Depreciation	(18,013)	19,531	28,867	9,236	32%	313,977	347,718	28,821	346,399	(1,319)	0%	346,399	56
57	Net Operating Surplus/(Deficit) (line 51 minus line 54)	336,302	609,754	483,470	126,284	39%	1,274,422	294,852	(979,690)	(322,811)	617,663	48%	(322,809)	57
58	Total Revenue	1,330,403	1,416,041	1,331,826	36,309%	10,603,019	10,163,322	2,90%	9,325,885	-3,46%	9,325,885		9,325,885	58
59	Operating Margin :	25,289%	43,06%	36,309%		12,02%							-3,46%	59

PLANNED PARENTHOOD OF NASSAU COUNTY, INC.
 Statement of Non-Operating Income (Loss)
 For the Period Ended December 31, 2018

A	B	C	D	
	YTD 2017	YTD 2018	Variance	
Investment Income:				
1	35,905	(14,518)	(50,423)	1
2	745,790	(885,523)	(1,631,313)	2
3	781,695	(900,041)	(1,681,736)	3
Investment Expenses:				
4	29,595	39,752	10,157	4
5	752,100	(939,793)	(1,691,893)	5
6	752,100	(939,793)	(1,691,893)	6

PLANNED PARENTHOOD OF THE SOUTHERN FINGER LAKES, INC.

STATEMENT OF FINANCIAL POSITION
 DECEMBER 31, 2017

(With Comparative Totals for 2016)

	<u>2017</u>	<u>2016</u>
ASSETS		
CURRENT ASSETS:		
Cash and equivalents	\$ 1,282,669	\$ 691,075
Program service fees receivable, net	254,589	293,277
Accounts receivable - other	102,971	68,000
Grants receivable	337,131	380,195
Current portion of pledges receivable	403,527	589,167
Inventory	157,660	172,765
Prepaid expenses	<u>90,981</u>	<u>64,566</u>
Total current assets	<u>2,629,528</u>	<u>2,259,045</u>
PROPERTY AND EQUIPMENT, net	<u>7,589,748</u>	<u>7,646,294</u>
OTHER ASSETS:		
Investments	826,105	769,389
Long-term pledges receivable	147,550	327,871
Charitable gifts	<u>65,857</u>	<u>61,510</u>
Total other assets	<u>1,039,512</u>	<u>1,158,770</u>
Total assets	<u>\$ 11,258,788</u>	<u>\$ 11,064,109</u>

PLANNED PARENTHOOD OF THE SOUTHERN FINGER LAKES, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2017

(With Comparative Totals for 2016)

(Continued)

	<u>2017</u>	<u>2016</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Current portion of debt	\$ 152,023	\$ 209,108
Lines-of-credit	-	205,000
Accounts payable	232,763	163,816
Accrued payroll and related expenses	126,921	126,203
Other accrued liabilities	57,298	53,218
Deferred grant support	<u>11,929</u>	<u>33,671</u>
Total current liabilities	<u>580,934</u>	<u>791,016</u>
OTHER LIABILITIES:		
Debt, net of current portion	1,450,733	1,661,312
Charitable gift annuity	5,475	5,860
Pooled income fund	<u>13,459</u>	<u>13,147</u>
Total other liabilities	<u>1,469,667</u>	<u>1,680,319</u>
Total liabilities	<u>2,050,601</u>	<u>2,471,335</u>
NET ASSETS:		
Unrestricted -		
Operating	2,195,077	2,083,943
Property, net of related debt	5,986,992	5,570,874
Board designated	<u>483,727</u>	<u>483,727</u>
Total unrestricted	8,665,796	8,138,544
Temporarily restricted	442,391	354,230
Permanently restricted	<u>100,000</u>	<u>100,000</u>
Total net assets	<u>9,208,187</u>	<u>8,592,774</u>
Total liabilities and net assets	<u>\$ 11,258,788</u>	<u>\$ 11,064,109</u>

PLANNED PARENTHOOD OF THE SOUTHERN FINGER LAKES, INC.

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2017**

(With Comparative Totals for 2016)

	<u>2017</u>	<u>2016</u>
SUPPORT AND REVENUE:		
Program service fees -		
Clinic receipts	\$ 126,700	\$ 133,612
Medicaid receipts	1,905,533	2,190,201
Insurance receipts	<u>1,751,249</u>	<u>1,532,386</u>
Total program service fees	<u>3,783,482</u>	<u>3,856,199</u>
Public support -		
Grants	1,940,184	1,976,168
Contributions and event income	<u>1,441,884</u>	<u>1,146,180</u>
Total public support	<u>3,382,068</u>	<u>3,122,348</u>
Other income -		
Interest and dividend income, net	641	9,599
Net realized and unrealized gain on investments	18,487	12,286
Miscellaneous income	209,024	118,587
Net assets released from restrictions to operations	<u>21,247</u>	<u>50,342</u>
Total other income	<u>249,399</u>	<u>190,814</u>
Total support and revenue	<u>7,414,949</u>	<u>7,169,361</u>
EXPENSES:		
Program services -		
Patient services	4,735,663	4,439,022
Sexual Assault Resource Center	275,719	293,068
Public affairs	233,708	189,648
Education	<u>608,225</u>	<u>682,767</u>
Total program services	<u>5,853,315</u>	<u>5,604,505</u>
Supporting services -		
Management and general	744,482	775,761
Fundraising	<u>289,900</u>	<u>395,103</u>
Total supporting services	<u>1,034,382</u>	<u>1,170,864</u>
Total expenses	<u>6,887,697</u>	<u>6,775,369</u>
Change in unrestricted net assets	<u>527,252</u>	<u>393,992</u>
TEMPORARILY RESTRICTED NET ASSETS:		
Contributions	63,763	52,642
Interest and dividend income, net	10,174	4,813
Net realized and unrealized gain on investments	35,471	17,367
Release from restriction	<u>(21,247)</u>	<u>(50,342)</u>
Change in temporarily restricted net assets	<u>88,161</u>	<u>24,480</u>
CHANGE IN NET ASSETS	615,413	418,472
NET ASSETS - beginning of the year	<u>8,592,774</u>	<u>8,174,302</u>
NET ASSETS - end of the year	<u>\$ 9,208,187</u>	<u>\$ 8,592,774</u>

Planned Parenthood of the Southern Finger Lakes, Inc.

Income Statement

Current

PPSFL, December 2018	Current	Current	Period	Period	Current	YTD Budget	YTD	Current
	Period	Period	Budget	Percent				
	Actual	Budget	Variance	Variance				Percent
Revenue								
Client Fees	245,668	304,033	(58,365)	(19.19)%	3,219,950	3,744,857	(524,907)	(14.01)%
Abortion Services	44,986	35,312	9,674	27.39%	474,140	434,956	39,184	9.00%
Grant Revenue	49,123	155,618	(106,495)	(68.43)%	2,028,798	1,867,406	161,392	8.64%
Donations/Special Events	570,053	206,963	363,090	175.43%	1,174,747	785,800	388,947	49.49%
Other Income	29,405	61,874	(32,469)	(52.47)%	298,949	275,000	23,949	8.70%
Total Revenue	939,235	763,800	175,435	22.97%	7,196,584	7,108,019	88,565	1.25%
Expenses								
Personnel Expenses	358,926	335,689	(23,237)	(6.92)%	4,332,785	4,028,217	(304,568)	(7.56)%
Occupancy	17,922	21,991	4,069	18.50%	288,174	264,029	(24,145)	(9.14)%
Equip/Maintenance & Repairs	8,238	4,778	(3,460)	(72.41)%	88,597	57,324	(31,273)	(54.55)%
Clinical Expenses	76,459	77,383	924	1.19%	1,057,656	951,311	(106,345)	(11.17)%
Other Operating Exp	14,376	17,971	3,595	20.00%	166,374	204,463	38,089	18.62%
Office Supplies	3,864	7,843	3,979	50.73%	84,072	95,991	11,919	12.41%
Communications	2,316	2,793	477	17.08%	31,900	33,485	1,585	4.73%
Travel & Meetings	6,510	17,485	10,975	62.76%	129,984	209,807	79,823	38.04%
Professional Services	37,986	40,223	2,237	5.56%	603,904	485,660	(118,244)	(24.34)%
Training	2,785	4,646	1,861	40.04%	55,261	55,800	539	0.96%
Miscellaneous	18,835	18,881	46	0.24%	296,158	226,490	(69,668)	(30.75)%
Financial Costs	31,777	17,586	(14,191)	(80.69)%	208,912	211,000	2,088	0.98%
Total Expenses	579,994	567,269	(12,725)	(2.24)%	7,343,776	6,823,577	(520,199)	(7.62)%
Operating Gain/(Loss)	359,241	196,531	162,710	82.79%	(147,191)	284,442	(431,633)	(151.74)%
Other Non Operating Rev/Exp								
Depreciation	(18,217)	(18,074)	(143)	0.79%	(217,237)	(216,970)	(267)	0.12%
Realized & Unrealized Gain/(Loss)	(16,997)	5,000	(21,997)	(439.94)%	(42,300)	60,000	(102,300)	(170.49)%
Total Other Non Operating Rev/Exp	(35,215)	(13,074)	(22,141)	169.35%	(259,537)	(156,970)	(102,567)	65.34%
Net Revenue Over Expenditures	324,027	183,457	140,570	76.62%	(406,728)	127,472	(534,200)	(419.07)%

NOVO DIALYSIS CENTER**PRO FORMA BALANCE SHEET****ASSETS**

Cash	\$1,352,221
Equipment	\$789,276
Leasehold Improvements	\$2,101,871

TOTAL ASSETS \$4,243,368

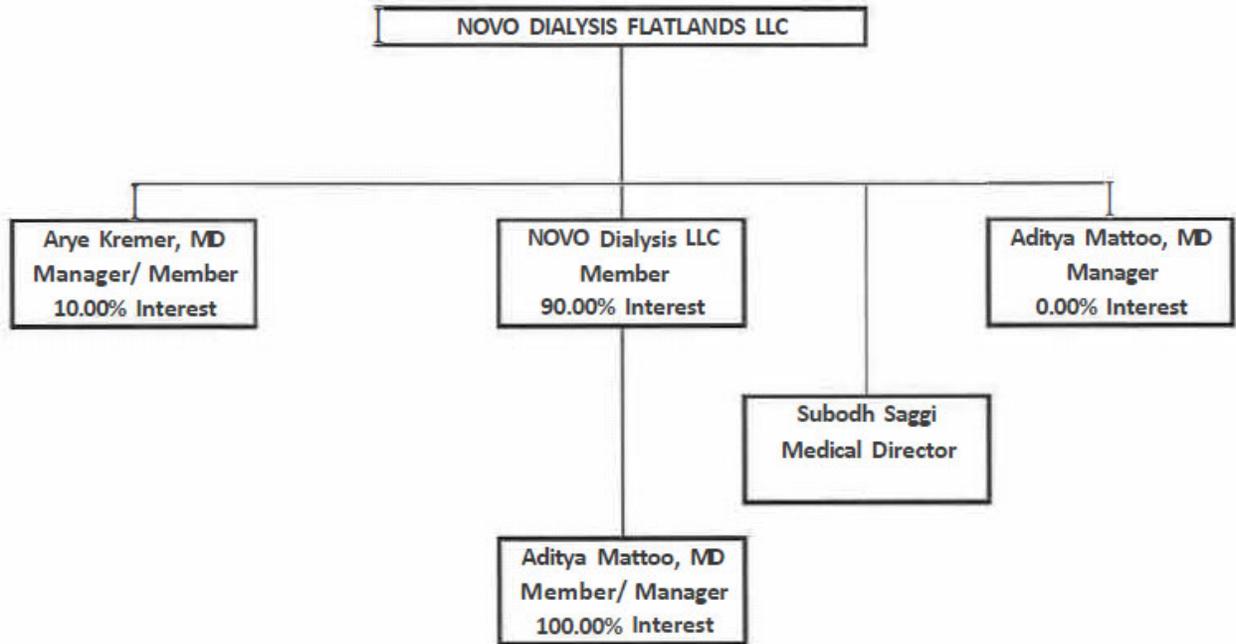
LIABILITIES AND MEMBERS EQUITY

Working Capital Loan	\$554,227
Equipment Lease	\$0
Permanent Financing Loan	\$2,245,773

Total Liabilities \$2,800,000

Members Equity \$1,443,368

TOTAL LIABILITIES AND MEMBERS EQUITY \$4,243,368



**COBBLE HILL HEALTH CENTER, INC.
 AND SUBSIDIARY**

CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Current assets		
Cash	\$ 8,039,531	\$ 7,297,703
Cash - resident funds	322,730	342,151
Investments	21,591,294	12,678,692
Accounts receivable - residents (net of allowance for doubtful accounts of \$1,200,000 in 2017 and \$1,036,000 in 2016)	8,303,512	9,772,821
Due from third parties		10,081,224
Inventories	45,328	50,332
Prepaid expenses	455,075	111,651
Deposits and other receivables	117,307	97,202
Due from Your Choice at Home, Inc.	1,870,184	445,964
Due from Cobble Hill Foundation, Inc.	449,854	125,947
	<u>41,194,815</u>	<u>41,003,687</u>
Total current assets		
Fixed assets - net	<u>49,489,496</u>	<u>51,421,162</u>
Total assets	<u>\$ 90,684,311</u>	<u>\$ 92,424,849</u>

COBBLE HILL HEALTH CENTER, INC.
 AND SUBSIDIARY

CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 2,334,232	\$ 1,830,662
Accrued payroll and related liabilities	2,010,582	2,213,125
Estimated amount due to third parties	167,082	32,669
Resident funds	322,730	342,151
Mortgage payable	<u>1,010,000</u>	<u>960,000</u>
Total current liabilities	5,844,626	5,378,607
Swap agreements	10,049,365	10,599,052
Mortgage payable	<u>31,424,535</u>	<u>32,377,189</u>
Total liabilities	<u>47,318,526</u>	<u>48,354,848</u>
Net assets		
Unrestricted	43,168,463	43,969,583
Temporarily restricted	<u>197,322</u>	<u>100,418</u>
Total net assets	<u>43,365,785</u>	<u>44,070,001</u>
Total liabilities and net assets	<u>\$ 90,684,311</u>	<u>\$ 92,424,849</u>

COBBLE HILL HEALTH CENTER, INC.
AND SUBSIDIARY

CONSOLIDATED STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017			2016		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Operating revenues and other support						
Revenues from care of residents	\$ 43,791,810		\$ 43,791,810	\$ 45,608,137		\$ 45,608,137
Revenues from case management	2,345,200		2,345,200	2,684,557		2,684,557
Universal Settlement	1,011,103		1,011,103			
Prior-period rate adjustments	(304,217)		(304,217)	39,111		39,111
Patient service revenues - net of discounts and allowances	46,843,896		46,843,896	48,331,805		48,331,805
Provision for bad debt	(1,025,274)		(1,025,274)	(885,122)		(885,122)
Net patient service revenues less provision for bad debt	45,818,622		45,818,622	47,446,683		47,446,683
Net assets released from restriction	8,538	\$ (8,538)		16,198	\$ (16,198)	
Total operating revenues and other support	45,827,160	(8,538)	45,818,622	47,462,881	(16,198)	47,446,683
Operating expenses						
Professional care of residents	18,844,736		18,844,736	18,788,261		18,788,261
Dietary	2,879,616		2,879,616	3,079,536		3,079,536
Maintenance	1,594,968		1,594,968	1,495,314		1,495,314
Housekeeping and laundry	2,558,176		2,558,176	2,718,549		2,718,549
Security services	155,139		155,139	141,387		141,387
Administration	3,982,959		3,982,959	4,208,506		4,208,506
Payroll taxes and employee benefits	7,985,669		7,985,669	7,940,903		7,940,903
Case management	1,477,622		1,477,622	1,603,014		1,603,014
Nondepartmental (includes interest expense, and depreciation and amortization, respectively, of \$2,276,331 and \$2,650,422 in 2017 and \$2,340,630 and \$2,613,496 in 2016)	5,967,628		5,967,628	5,958,909		5,958,909
New York State cash receipts assessment	2,962,869		2,962,869	2,337,516		2,337,516
Total operating expenses	48,409,382		48,409,382	48,271,895		48,271,895

COBBLE HILL HEALTH CENTER, INC.
AND SUBSIDIARY

CONSOLIDATED STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017			2016		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Operating loss	\$ (2,582,222)	\$ (8,538)	\$ (2,590,760)	\$ (809,014)	\$ (16,198)	\$ (825,212)
Grant for care of residents		10,442	10,442		22,497	22,497
Nonoperating revenues	2,312,888		2,312,888	530,936		530,936
Nonoperating expenses	(21,473)		(21,473)	(19,085)		(19,085)
Change in value of swap agreement	549,687		549,687	1,624,294		1,624,294
Grants expense (Note 1)	(1,200,000)		(1,200,000)	(32,569)		(32,569)
Contribution from Cobble Hill Foundation, Inc.	140,000	95,000	235,000	150,000		150,000
Change in net assets	(801,120)	96,904	(704,216)	1,444,562	6,299	1,450,861
Net assets - beginning of year	43,969,583	100,418	44,070,001	42,525,021	94,119	42,619,140
Net assets - end of year	\$ 43,168,463	\$ 197,322	\$ 43,365,785	\$ 43,969,583	\$ 100,418	\$ 44,070,001

COBBLE HILL HEALTH CENTER, INC.		
BALANCE SHEET		
DECEMBER 31, 2018		
	<u>12/31/2018</u>	<u>12/31/2017</u>
ASSETS		
Current Assets		
Cash	9,314,451	8,039,530
Cash- Resident funds	355,190	322,730
Investments	20,162,061	21,591,294
Accounts receivable	8,374,745	8,303,511
Inventories	45,328	45,328
Prepaid expenses	265,411	455,075
Deposits and other receivables	89,655	117,307
Due from CHHA	1,436,970	1,870,182
Due from Cobble Hill Foundation	<u>737,137</u>	<u>449,854</u>
Total current assets	40,780,948	41,194,812
Fixed Assets	<u>47,452,310</u>	<u>49,489,493</u>
Total Assets	<u>88,233,258</u>	<u>90,684,305</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued expenses	2,310,117	2,334,228
Accrued payroll and benefits payable	2,108,468	2,010,585
Due to third parties	656,787	167,082
Resident funds	355,190	322,730
Current portion of mortgage payable	<u>1,060,000</u>	<u>1,010,000</u>
Total current liabilities	6,490,561	5,844,625
Swap agreements	10,049,365	10,049,365
Mortgage payable	<u>30,364,535</u>	<u>31,424,535</u>
Total liabilities	<u>46,904,462</u>	<u>47,318,526</u>
Net Assets		
Operating	43,168,457	43,736,799
Investment Income	(1,375,624)	2,157,036
Transfer to Cobble Hill Foundation	0	(1,200,000)
Gain((loss))	<u>(661,358)</u>	<u>(1,525,378)</u>
Total unrestricted net assets	41,131,474	43,168,457
Temporarily restricted	<u>197,322</u>	<u>197,322</u>
Total net assets	41,328,796	43,365,779
Total liabilities and net assets	<u>88,233,258</u>	<u>90,684,305</u>

<u>COBBLE HILL HEALTH CENTER, INC.</u>		
<u>STATEMENT OF OPERATIONS</u>		
<u>DECEMBER</u>		
	<u>ACTUAL</u>	<u>Y-T-D</u>
	<u>December</u>	<u>Actual</u>
<u>PATIENT REVENUE</u>		
Medicaid	2,667,695	21,730,760
Medicare-Part A	735,605	6,571,138
Medicare-Part B	50,445	259,839
Private	206,080	2,052,293
Medicare Managed Care	329,536	3,627,592
Medicaid Managed Care	992,642	10,409,173
Commercial Insurance	55,150	651,770
ISNP	78,120	1,171,345
NET PATIENT REVENUE	5,115,274	45,273,910
Other revenue	21,006	415,435
Grant revenue (net)	24,479	298,999
TOTAL OPERATING REVENUE	5,160,758	47,188,344
<u>OPERATING EXPENSES</u>		
Salaries	1,700,533	18,667,017
Fringe Benefits	726,928	7,470,409
Supplies & Other Direct Expenses	914,398	9,885,853
Fees & Contracted Services	561,310	6,196,386
Depreciation	224,881	2,638,570
Mortgage Bond Interest	177,614	2,195,468
Overhead To Other Programs	(8,495)	(204,001)
TOTAL OPERATING EXPENSES	4,297,174	47,849,702
Operating Surplus (or Loss)	863,585	(661,358)

COBBLE HILL DIALYSIS

PRO FORMA BALANCE SHEET

ASSETS

Cash	\$481,570
Equipment	\$548,892
Leasehold Improvements	\$1,678,992

TOTAL ASSETS \$2,709,454

LIABILITIES AND MEMBERS EQUITY

Working Capital Loan	\$0
Equipment Lease	\$548,892
Permanent Financing Loan	\$0

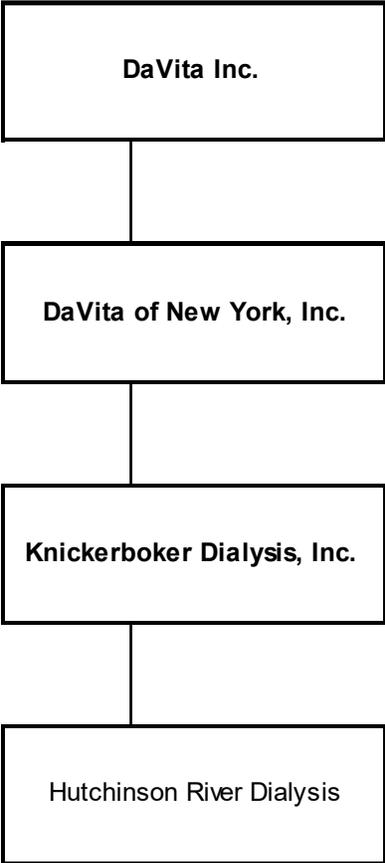
Total Liabilities \$548,892

Retained Earnings \$2,160,562

TOTAL LIABILITIES AND MEMBERS EQUITY \$2,709,454

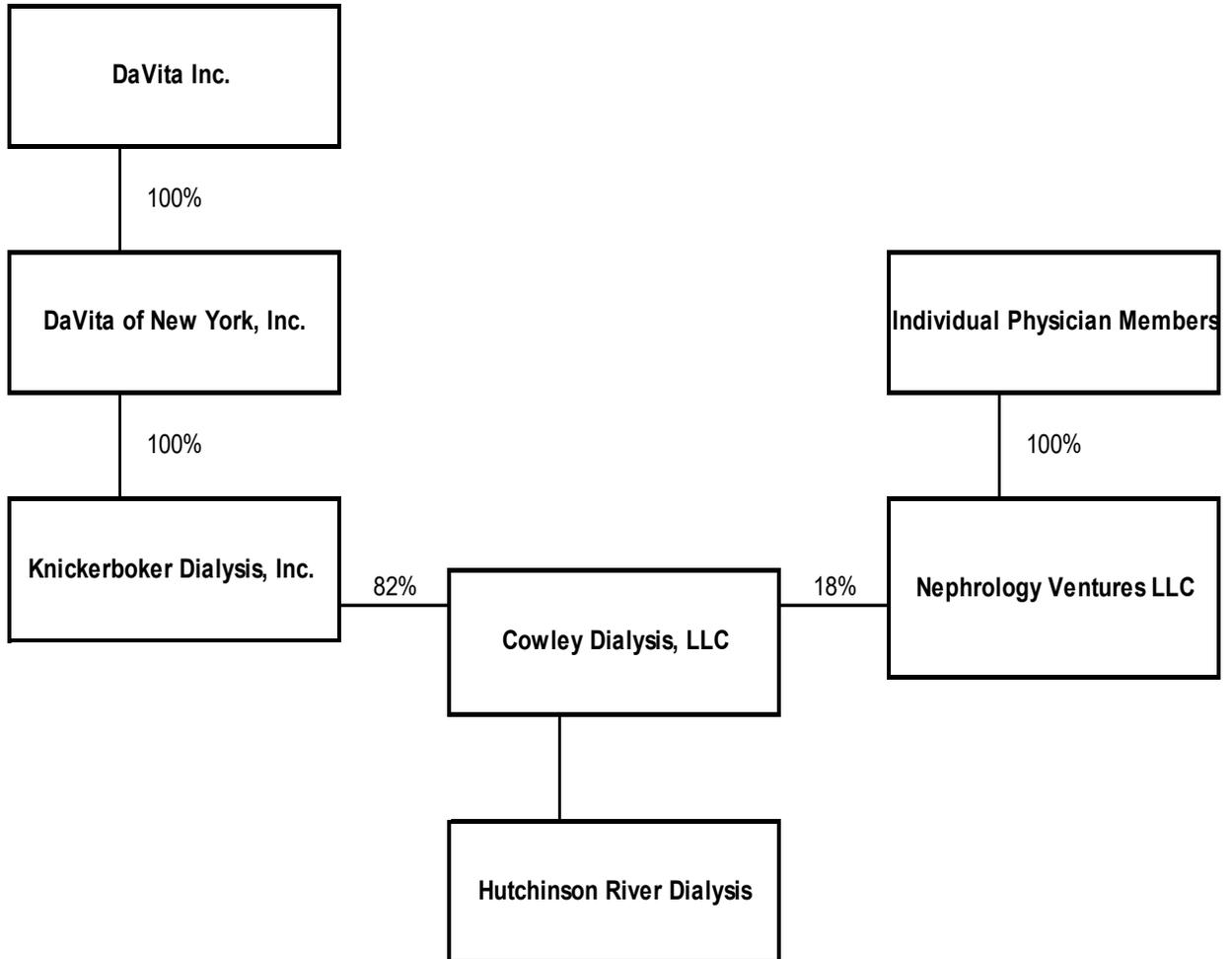
PRE-CLOSING ORGANIZATIONAL CHART

Hutchinson River Dialysis



POST-CLOSING ORGANIZATIONAL CHART

Cowley Dialysis, LLC



DAVITA INC.
CONSOLIDATED STATEMENTS OF INCOME
(dollars in thousands, except per share data)

	Year ended December 31,		
	2018	2017	2016
Dialysis and related lab patient service revenues	\$ 10,709,981	\$ 10,093,670	\$ 9,727,360
Provision for uncollectible accounts	(49,587)	(485,364)	(431,304)
Net dialysis and related lab patient service revenues	10,660,394	9,608,306	9,296,056
Other revenues	744,457	1,268,328	1,411,411
Total revenues	11,404,851	10,876,634	10,707,467
Operating expenses and charges:			
Patient care costs and other costs	8,195,513	7,640,005	7,431,582
General and administrative	1,135,454	1,064,026	1,072,841
Depreciation and amortization	591,035	559,911	509,497
Provision for uncollectible accounts	(7,300)	(7,033)	11,677
Equity investment income	4,484	8,640	(16,874)
Investment and other asset impairments	17,338	295,234	14,993
Goodwill impairment charges	3,106	36,196	28,415
Gain on changes in ownership interest, net	(60,603)	(6,273)	(374,374)
Gain on settlement, net	—	(526,827)	—
Total operating expenses and charges	9,879,027	9,063,879	8,677,757
Operating income	1,525,824	1,812,755	2,029,710
Debt expense	(487,435)	(430,634)	(414,116)
Other income, net	10,089	17,665	7,511
Income from continuing operations before income taxes	1,048,478	1,399,786	1,623,105
Income tax expense	258,400	323,859	431,761
Net income from continuing operations	790,078	1,075,927	1,191,344
Net loss from discontinued operations, net of tax	(457,038)	(245,372)	(158,262)
Net income	333,040	830,555	1,033,082
Less: Net income attributable to noncontrolling interests	(173,646)	(166,937)	(153,208)
Net income attributable to DaVita Inc.	\$ 159,394	\$ 663,618	\$ 879,874
Earnings per share attributable to DaVita Inc.:			
Basic net income from continuing operations per share	\$ 3.66	\$ 4.78	\$ 5.12
Basic net income per share	\$ 0.93	\$ 3.52	\$ 4.36
Dilute net income from continuing operations per share	\$ 3.62	\$.71	\$ 5.0
Diluted net income per share	\$ 0.92	\$ 3.47	\$ 4.29
Weighted average shares for earnings per share:			
Basic	170,785,999	188,625,559	201,641,173
Dilute	172,365,581	191,385,533	202,902,656
Amounts attributable to DaVita Inc.:			
Net income from continuing operations	\$ 62,321	\$ 901,277	\$ 1,032,373
Net loss from discontinued operations	(464,927)	(237,659)	(152,499)
Net income attributable to DaVita Inc.	\$ 159,394	\$ 663,618	\$ 879,874

DAVITA INC.
CONSOLIDATED BALANCE SHEETS
(dollars in thousands, except per share data)

	December 31, 2018	December 31, 2017
ASSETS		
Cash and cash equivalents	\$ 323,038	\$ 508,23
Restricted cash and equivalents	92,382	10,686
Short-term investments	2,935	32,830
Accounts receivable, net	1,858,608	1,714,750
Inventories	107,381	181,799
Other receivables	469,796	399,262
Prepaid and other current assets	111,800	112,058
Income tax receivable	68,614	49,440
Current assets held for sale, net	5,389,555	5,711,200
Total current assets	8,424,159	8,770,701
Property and equipment, net	3,393,099	3,199,213
Intangible assets, net	118,846	113,827
Equity method and other investments	22,011	25,553
Long-term investments	35,424	37,695
Other long-term assets	71,583	7,287
Goodwill	6,841,960	6,610,279
	<u>\$ 19,110,252</u>	<u>\$ 18,971,536</u>
LIABILITIES AND EQUITY		
Accounts payable	\$ 3,270	\$ 509,111
Other liabilities	595,850	579,005
Accrued compensation and benefits	58,913	1,011
Current portion of long-term debt	1,929,369	178,213
Current liabilities held for sale	1,237,599	1,185,070
Total current liabilities	4,891,161	3,067,520
Long-term debt	8,172,877	9,158,018
Other long-term liabilities	450,669	365,325
Deferred income taxes	52,553	8,027
Total liabilities	14,077,213	13,077,110
Commitments and contingencies:		
Noncontrolling interests subject to put provisions	1,124,641	1,011,360
Equity:		
Preferred stock (\$0.001 par value, 5,000,000 shares authorized; none issued)	—	—
Common stock (\$0.001 par value, 50,000,000 shares authorized; 1,387,307 and 1,822,278 shares issued and outstanding, respectively)	1	182
Additional paid-in capital	995,006	1,042,899
Retained earnings	2,733,190	3,337,130
Accumulated other comprehensive (loss) income	(34,924)	13,235
Total DaVita Inc. shareholders' equity	3,703,272	4,433,446
Noncontrolling interests not subject to put provisions	204,956	196,037
Total equity	3,908,398	4,629,483
	<u>\$ 19,110,252</u>	<u>\$ 18,974,536</u>

COWLEY DIALYSIS, LLC**PRO FORMA BALANCE SHEET****ASSETS**

Capital Improvements	\$1,814,077
Working Capital Cash	\$2,106,352
Other	\$888,105
Equipment and Telecommunications	\$826,605
Inventory	\$12,948
Prepaid Expenses	\$32,913
TOTAL ASSETS	\$5,681,000

LIABILITIES AND MEMBERS' EQUITY

Liabilities	\$3,580,000
Members' Equity	\$2,101,000
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$5,681,000